FBIS DAILY REPORT

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CONTADORA MEETING ENDS WITHOUT ARMS AGREEMENT

PA170123 Hamburg DPA in Spanish 0023 GMT 17 May 85

[Text] Panama City, 16 May (DPA) -- The Contadora Group meeting concluded tonight in Panama City, but the Central American countries did not reach an agreement regarding disarmament, and no resolution was issued to condemn the United States for its trade embargo against Nicaragua. A clash of views regarding disarmament prevailed during the 3 days of meetings between the Contadora Group (Mexico, Panama, Venezuela, and Colombia) deputy foreign ministers, the Central American deputy foreign ministers, and the Central American plenipotentiary ambassadors. Nicaragua insisted that it must arm itself because it is being attacked by a world power, the United States; therefore it cannot agree to disarm when it is being attacked day after day. Likewise. Honduras and Costa Rica pointed out that disarmament must be implemented gradually to guarantee a military balance in the region, since Nicaragua currently has weapons and armed forces far superior in numbers to that of all the other countries in the region combined. Honduras' arguments particularly clashed with those of Nicaragua, which reasserted its position today.

Regarding disarmament, the pledge assumed through the document for peace states that all forms of rash arms buildup in the region must be stopped, establishing limits for the number of weapons and the size of the armed forces. The document also states there will be several phases to guarantee disarmament in Central America, and this will be carried out through inventories. No agreement was reached on this point during the meeting. In addition, the Salvadoran delegation also made some observations about disarmament.

No agreement was reached, either, regarding the commisison for verification and control of the pledges included in the document; El Salvador, Costa Rica, and Honduras support the idea that the commission should be comprised of nine delegates from countries outside theContadora Group and Central America, while Nicaragua believes that the commission should be comprised of Contadora Group delegates. The commission would be in charge of appointing the 75 international inspectors for verification and control in each country.

Nicaragua presented during the meeting, through a lengthy statement by Deputy Foreign Minister Victor Hugo Tinoco, the case of the trade embargo decreed by the United States against Nicaragua. He gave detailed explanations, describing as aggression the attitude assumed by a superpower against a small country like Nicaragua. He asked the meeting to condemn the United States' attitude, but this was not done because it was explained that the meeting had been convoked to discuss the specific topic of the verification and control mechanisms.

The 3-day meeting concluded with moderate optimism, as noted by Venezuelan Deputy Foreign Minister German Nava. We have made a deep analysis and will meet again in June, said Panamanian Deputy For gn Minister Jose Maria Cabrera. Meanwhile, Columbian Deputy Foreign Minister Guillermo Fernandez said that the meeting had been beneficial even though no substantial agreements were approved. Mexican Deputy Foreign Secretary Ricardo Valero summarized the event by saying it was an intensive work meeting and that other meetings will be held in the future.

Further on Meeting

PA170220 Madrid EFE in Spanish 0029 GMT 17 May 85

[Text] Panama City, 16 May (EFE) -- Despite the considerable progress achieved so far, the Central American diplomats attending the Contadora meeting have postponed until later meetings the final discussion of the chapter on security in the regional peace treaty. This is one of the treaty's key chapters.

This was reported early this afternoon by Mexican Deputy Foreign Secretary Ricardo Valero in the hall of the hotel where the meeting is taking place. Only the drafting of a joint statement and the scheduling of the next meeting are pending. Valero, one of the Contadora Group representatives in addition to those of Panama, Colombia, and Venezuela, said that another topic pending is a joint statement regarding the foreign military presence in the region and military exercises.

The meeting, which lasted 3 days, enabled Central Americans, sponsored by Contadora, to agree on other security topics. This, according to Valero, represents an important stimulus for the negotiating efforts. The topics settled during this meeting include all aspects of arms trafficking and the relocation of those displaced by war and violence in their countries. An accord was also reached on economic strengthening, this is to say, the reaffirming of the principle that each country has the sovereign right to establish foreign commercial ties of its own and have unrestricted international commercial relations. An agreement was also reached regarding international law as applied to Central America and the role and contribution of countries having an interest in the region.

According to the Mexican deputy foreign secretary, a final effort is still needed to complete, as soon as possible, the final version of the Contadora Document for Peace and Cooperation in Central America. Valero admitted that disagreements occurred over important topics and the delicate situation in Central America. He indicated, however, that this is only natural. Later, he added: We have a very specific goal. We are trying to get the viewpoints of all Central American countries and to have the document signed as soon as possible.

This meeting, which took place during the final stages of the Contadora Group efforts, was devoted to discussing aspects of the verification and control mechanisms of the accords to be adopted and to carrying out a general review of the regional peace projects.

Alleged 'Rift' Reported

PA170142 Bogota Television Service in Spanish 0000 GMT 17 May 85

[Text] There are rumors in Caracas, Venezuela, of an alleged rift in the Contadora Group. Apparently the differences within the group arose 1 week ago when Colombian President Belisario Betancur proposed a joint statement on the United States embargo against Nicaragua and Nicaraguan President Daniel Ortega's trip to the Soviet Union. Betancur's proposal was accepted by Venezuela and Panama, but rejected by Mexico. Mexico considers that the same importance cannot be given to a coercive U.S. measure and to a president's sovereign decision to travel to a foreign country. Therefore, there is a rift within the Contadora Group.

Panamanian Minister Views Meeting

PA161509 Panama City Televisora Nacional in Spanish 0000 GMT 16 May 85

[Excerpt] Panamanian Foreign Minister Jorge Abadia will outline for us the major accomplishments of the Contadora Group meeting that ended recently.

[Begin recording] We have made progress. We are optimistic and confident. The road is bumpy and there are obstacles, but it is the road to peace, understanding and tolerance. All the parties involved in the negotiations have shown a determination to work hard for success. Our Central American brothers are showing goodwill in the efforts to surmount obstacles and advance toward the finish line which is peace. [end recording]

Honduran Delegate on Border Proposal

PA162006 Panama City ACAN in Spanish 1710 GMT 16 May 85

[Text] Panama City, 16 May (ACAN-EFE) -- Honduras considers unnecessary the sending of a Contadora Group delegation to the Honduran-Nicaraguan border, as requested by Sandinist diplomats attending the Contadora meeting. "Our response is that Nicaragua stop firing on Honduran territory and that a Contadora commission is not needed," Jorge Ramon Hernandez Alcerra, head of the Honduran delegation attending the Contadora meeting in this capital, stated.

Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco presented a request on Tuesday for the peacekeeping group composed of Panama, Mexico, Colombia, and Venezuela to send a mission to both sides of the border to make an "in situ" inspection of the conflictive situation in the area. Over the past few weeks there have been several military incidents as a result of the retreat of thousands of Nicaraguan counterrevolutionaries into Honduras and a Sandinist military offensive, while both governments have noted the threat of direct confrontations between the regular armies. The Hondurans have also denounced Sandinist artillery fire hitting interior villages in Honduras, while civilian groups denounced an incursion by Nicaraguan Army units across the border.

The Honduran response to Tinoco's request makes the sending of the Contadora mission to the border uncalled for because, as Mexican Deputy Foreign Minister Ricardo Valero said, the Group would only appoint a delegation if both parties requested it.

Apart from this topic, the Central American and Contadora Group delegates attending the meeting in this capital today entered the final phase of sessions with the aim of analyzing the verification and control mechanisms for the draft regional peace document. Yesterday, before entering the Washington Room of the hotel where the meeting is being held, Salvadoran Deputy Foreign Minister Ricardo Acevedo Peralta said that Nicaragua is posing obstacles that prevent reaching an agreement on the level of regional disarmament. For his part, Tinoco said that this specific topic has not been studied yet because "all of the security problems" will be analyzed at the next meeting between the Central American ministers and the Contadora Group. "We are proceeding in our analysis from the simple to the complex," Tinoco explained. Until today's session, the delegations had not reached agreement on the need to eradicate "irregular forces" seeking to overthrow the governments in the region and on the means to establish direct communications between the parties.

ARGENTINE FOREIGN MINISTER ADDRESSES OAS COUNCIL

PY152230 Buenos Aires Domestic Service in Spanish 2046 GMT 15 May 85

[Speech by Argentine Foreign Minister Dante Caputo before the OAS Permanent Council in Washington on 15 May -- live]

[Text] I first want to thank all the members of this Permanent Council for the opportunity they have given me to present the viewpoints of the Argentine Republic on an extremely serious development in the situation in the South Atlantic. I also want to thank, in a very special way, the president of the Permanent Council, Ambassador Rafael Garcia Velasco of Ecuador, for the promptness in which he called this extraordinary meeting. I want to express our sentiments of support for the deputy secretary general, Ambassador Val McComie, for his actions which we appreciate, being very valuable in all respects.

Mr President: On 12 May, the British Government inaugurated with great pomp and broad press coverage the airport of Monte Agradable on the Malvinas Islands. Thus, the first stage of the installation of thousands of soldiers and a considerable fleet and military air group has been completed. In the Malvinas Islands there now exists a powerful military base owned by a great international power, which consitutes an unprecedented development in the South Atlantic. The Government of the Argentine Republic denounces this development, which represents a serious threat to the security of our nation, to peace and tranquillity in our region and, consequently, to peace and tranquillity in the world.

The British Government has tried to justify the installation of this military base with strong arguments, the most noteworthy and current one being that in this way it is trying to prevent any future attempt on the part of Argentina to retake by force the islands that the United Kingdom had wrested from it by force in 1833.

That argument cannot be accepted for several reasons. Above all, because since 10 December 1983 the democratic Argentine Government has emphatically and repeatedly declared that it will only resort to diplomatic and peaceful means to reassert and recover the legitimate sovereignty of our country over the Malvinas, South Georgias, and South Sandwich Islands, as well as to resolve any other international controversy in which the Argentine Republic might be involved. This will of the Argentine Government, which is also the will of the Argentine people, has been proven with facts, such as the recent signing of a peace and friendship treaty with the Republic of Chile, thus ending a century-old conflict which a few years ago led the two countries to the brink of war. Therefore, there has not been, since 10 December 1983, any manifest military threat such as one the British Government attempts to impinge on the Argentine Republic, nor will it exist in the future.

Unfortunately, our government's intention to deal peacefully with the conflict over the sovereignty of the islands with the United Kingdom, as well as the appeals of the international community to that effect, has met with a negative response from the British Government. Moreover, the United Kingdom has not suspended, nor has it delayed, the plan for the fortification of the Malvinas Islands, which is now unnecessary, but it has proceeded with this plan at a rapid pace, as we can attest to today and as was publicized in the newspapers at the time of the inauguration of the Monte Agradable airport.

It should be noted that the construction of the airport started precisely at the time when the democratic Argentine Government came to power and declared its peaceful intentions. Despite this, the work was sped up and now it is stated with pride that what would have usually be completed in 4 years time was completed in only 16 months. According to the figures recently published by the British Government itself, a total of 2.52 billion pounds will be spent between 1982 and 1986 to fortify the Malvinas Islands. Other nonofficial British sources believe that those expenditures could be much higher. This opinion is confirmed by the increase in the cost of the recently inaugurated airport.

The fact is that the annual budget for the Malvinas Islands represents a significant portion of the British war budget and is enormous when compared to the military expenditures of countries such as Denmark and Norway, which are NATO members. If we were to compare these figures with the number of islanders, or if we consider that the new airport will only allow a saving of 25 million pounds in the military garrison's maintenance costs, we are justified in asking whether it is possible that such an effort has been made merely to protect the islands from the nonexistent threat of an Argentine invasion.

The British military preparations in view of a nonexistent threat seem even more questionable if one takes into account the disproportionality of the military means installed on the islands to face the alleged and potential Argentine invasion. According to an evaluation by British sources, analyzed by the House of Commons during the past few months, there are between four and six frigates and destroyers permanently stationed in the area. Taking into account the technical data regarding the operational capability, rotations, and navigation time between Great Britain and the islands, it is estimated that at least a dozen of these types of vessels are definitely assigned to the Malvinas Islands, which represents approximately a quarter of all the British frigates and destroyers in service. It must also be pointed out that according to the same sources, several of the frigates and destroyers allocated to the area are fitted with the most modern arms and detection systems available in the British fleet.

In addition to the mentioned vessels, there is also a squadron of submarines permanently operating in the zone. Some of them are nuclear submarines. There are also Kin [class] salvage vessels and a squadron of naval helicopters in the area. Regarding air power, it is estimated that there are on the Malvinas a sizeable number of Phantom and Harrier fighters, heavy Chinook helicopters, and other types of combat helicopters, as well as approximately six Hercules transport aircraft. Therefore, adding the air and maritime forces to the land forces, it is estimated that there are more than 4,000 soldiers on the Malvinas Islands, as compared to a civilian population of 1,600-1,800.

The British Defense Ministry recently stated that the size of the military garrison will not be decreased in the future, thus contradicting the expectations that had arisen as a consequence of the inauguration of the airport.

The strength of the ground, air, and maritime forces deployed by the United Kingdom overwhelmingly exceeds what is really needed to stop or repel an attack by our Armed Forces in their current condition, thus surpassing greatly the technical requirements of defending the islands, should this have been the intention of the United Kingdom. A significant fact that must be added is that the airport that has just been dedicated, according to assessments made in the United Kingdom itself, could be easily destroyed by Argentina should a decision be adopted in this regard.

Mr President, the only coherent conclusion one can draw from these facts, which are apparently contradictory, is that the purpose of the United Kingdom has nothing to do with the defense of the islands against the threat of an Argentine invasion which, incidentally, we repeat does not exist. On the contrary, the overall British preparations show that its intention is to (?extend) its offensive range at least over the Argentine mainland. This air base is essential in case the United Kingdom decides to attack Argentina and occupy in a few hours strategical points on our mainland.

Considering the strength of the ground, air, and maritime forces transferred by the United Kingdom to the Malvinas, which surpasses by far that which is needed to simply stop or repel a possible invasion of the islands by Argentina, the idea is, in fact, to take over selected zones of our continental territory. Thus, what we are observing now is not the dedication of a defensive base, the garrison of which is surprisingly three or four times greater than the number of inhabitants of the islands, but the dedication of a military base designed to unleash quick offensive operations on the southern zone of our continent.

These possibilities are justified on the basis that the military base built on the Malvinas Islands will certainly play a strategic role within the West's worldwide military system.

This was stated by British Defense Secretary Michael Heseltine in his speech on 14 September 1983 in the Cosmos Club in Washington, D.C., when he said, quote: And lastly, we maintain our capacity to operate alone, or with our allies, either to protect our national interests, or (?to come to the aid) of our friends. It is this capacity that we have shown in our Malvinas campaign and, in the light of which we are adopting the measures necessary to improve our strategic maneuverability and our capacity for air operations outside the NATO area, unquote.

The same conclusion can be drawn from the speech by Prime Minister Margaret Thatcher to the U.S. Congress on 20 February 1985 when she stated, and I quote: We have troops in Cyprus and in the South Atlantic, and a reduced military contingent in the Sinai, at your request. British soldiers are serving in 30 countries. We are siding with you in Beirut. We are jointly working with you in the Atlantic and Indian Oceans. Our Navy is standing guard throughout the world. Great Britain is fulfilling its responsibility to defend freedom throughout the world and will continue to do so, unquote. Or when on 12 July 1984 she addressed the Euro-Atlantic group and said, quote: Although NATO establishes an arbitrary limit, many NATO member countries are ready to face the challenge of problems outside the NATO areas. British troops are deployed around the world, from Belize to Zimbabwe and from the Malvinas to Gibraltar, working for the Western Hemisphere. This represents our resolve in Great Britain to support, we believe, the defense of all that we cherish, unquote.

Mr President, even though the British Government has not yet formally expressed this intention, limiting itself to analyzing it through contradictory statements, the purpose becomes evident when the characteristics of the military installations that have already been built and those that are projected in the Malvinas Islands are reviewed, that is, when the facts are reviewed, facts that are much more convincing than any statement.

Several technical information sources, all of them British, fully prove that the airport recently opened on the Malvinas Islands constitutes a strategic unit in the best sense of the word. In fact, the third report of the House of Commons Defense Committee itself contains clear references showing the willingness of the British Government to use the airport for purposes beyond the goal of defending the islands, in connection with actions that could take place in the Northern Hemisphere itself. The [word indistinct] of current affairs [preceding two words in English] of December 1983 refers to the British aim, quote, to increase its capability to quickly deploy forces between the European and South Atlantic, unquote.

Now then, with long-range carrier airplanes, for example the super DC's or the Boeing 747, it will be possible to link London with the Malvinas Islands via Ascension Island with no need to refuel in flight. To give an example of this capability, just using five Boeing 747's and five super DC-10's, the United Kingdom is in a position to strengthen its [words indistinct] in Malvinas with 3,000 men or 630 tons of cargo in less than 24 hours. At the same time, operating from the Malvinas Islands, it is also appropriate to mention the capability to launch airborne troops using C-130 airplanes. Twelve of these airplanes can launch 36,000 men on Argentine territory in 24 hours.

Similarly, the offensive capacity of the Malvinas Islands will be reflected in the capacity to operate Tornado, Buccaneer, and/or Phantom airplanes. The number of airplanes can fluctuate between 3 and 6 squadrons, depending on the fixed or mobile station and dispersion facilities available.

The Tornado airplanes pose the most serious threat because their electronic equipment allows them to reach a target and hit it with great precision under any weather conditions, either in day or night flying. This airplane can carry nuclear or conventional weapons, and with an average load of 2,000 kg of conventional bombs or a nuclear weapon, its operating range can be, without fueling, 850 nautical miles or 1,570 km; if refueled once, 1,360 nautical miles or 2,520 km; if refueled twice, 2,560 nautical miles or 4,840 km. These figures reveal that Great Britain will be able to project its strategic air capacity from the Malvinas Islands to the South American Continent, completely covering the territories of Argentina, Chile, Uruguay, Paraguay, Bolivia, the southern territory of Brazil, and Peru.

Mr President, summing up, this new air base, erected in a region under the jurisdiction of the Inter-American Reciprocal Assistance Treaty, TIAR, will allow for the unlimited use of all types of offensive, defensive, reconnaissance, and cargo airplanes in the possesion of Great Britain, in operations covering a large portion of the South American Continent and the South Atlantic and Pacific sea routes. These forces can be immediately deployed over the region if the Ascension Island air base is used for technical stopovers and if air refueling procedures are used for war planes.

It is also clear that this possibility affects not only the security and peace of the Argentine Republic, but also all our neighboring South American sister republics. The building of a strategic air base in the South Atlantic close to the American Continent will turn this region, which has thus far remained unaffected by world tension, into a field of military preparations for the superpowers.

We are once again running the risk of witnessing a self-fulfilling prophecy, because the fact that precautionary measures are taken in an area that has been considered as a region of possible confrontation may itself end up giving rise to a conflict where there previously was none.

These actions will tarnish the enormous efforts made to preserve the peace and tranquility of the region. Essential and exemplary initiatives known throughout the world, such as the creation in Latin America of the first effective denuclearized zone on earth, will be instantly destroyed by the British Government action, because it has already turned the South Atlantic and South America as a whole into a nuclear battlefield by installing this strategic base.

Other immediate and concrete examples will also emerge. The pretention of playing a strategic role within a worldwide military system will place at the discretion of the great world powers, namely at the discretion of the United Kingdom, the power to define alleged threats to the pre-existing balance of powers, thus providing the possibility for undertaking allegedly preventive military operations to avert presumed risks. This is very clear to us in Argentina. What will prevent the United Kingdom, for example, from unleashing a military operation on key points of the Argentine mainland, under the pretext of neutralizing an imaginary threat of an invasion of the Malvinas Islands? To what extent will the new military role assigned to the base established on the islands serve to justify an offensive action such as that we have just mentioned, justifications based on very weak or debatable arguments? The idea now is to defend a very sensitive point within a worldwide military system.

This type of reasoning, which has unfortunately been applied in other regions, represents not only a threat to Argentina, but to other countries of the area as well. What consequences will the fortification of the Malvinas Islands by the British Government have at a world level? In general, it implies an escalation of world tension, thus turning a zone which so far has been free from these tensions into a field of potential confrontation. But it will also force our countries to adopt measures to defend themselves from possible allegedly preventive actions, thus having to employ efforts and resources that could be used in a more useful and productive manner to cope with the imperative needs in a period of extremely critical economic and social conditions in the continent.

It also shows the profound senselessness of the United Kingdom in building all these military installations on the Malvinas Islands. It is senseless because what the British Government is doing becomes more obvious when we take into account the alternatives. Instead of the hundreds of millions of dollars that have been spent on military installations, and of the hundreds of millions of dollars that will be spent in the future, a table and a few chairs would suffice for a meeting of a few men of goodwill who are willing to talk and negotiate.

In the face of the risk of unjustified military intervention, in the face of the transfer of tension to new areas of the world, in the face of the terrible possibility of opening a new region to world conflicts, it is much easier and much more reasonable to preserve peace, happiness, and tranquillity in the region. A small portion of what the UK Government has already spent to fortify the islands would have been sufficient for assuring the prosperity and welfare of the inhabitants of the islands it claims to be defending. A bit of the will, the effort, and the talent the UK Government has dedicated to its military preparations would have been enough. There is still time to find a peaceful, honorable, and reasonable solution for the controversy that is dividing Great Britain and Argentina.

Mr President, the Argentine nation is painfully watching how a territory, of which it is the legitimate owner and of which it was deprived by force, is being used by Great Britain to pose a threat to Argentine security, and to seriously jeopardize the peace and tranquillity of the entire region. Therefore, the Argentine Government is compelled to denounce this action, which has affected it, which will also affect the sister republics of the continent, and which is threatening the international community.

The Argentine Government knows that the only alternative to the risks that Great Britain is creating lies in the permanent quest for a peaceful solution to the controversy through diplomatic channels. Yet the Argentine Government feels compelled to adopt some essential measures to preserve its security, measures that cannot compare, either qualitatively or quantitatively, with those which have just been taken.

Finally, I would like to recall that on 20 March, in addressing this Honorable Permanent Council, President Raul Alfonsin mentioned our country's claims over the Malvinas Islands, South Sandwich Islands, and South Gerogias. He said, quote, just as the Argentine claims will not be weakened by time, our determination to solve the sovereignty issue through a frank and comprehensive dialogue with Great Britain shall not decline, unquote.

Mr President, the British Government is generating tension in the region. The British Government has even further hindered the possibility of holding negotiations. The British Government is turning our Malvinas Islands into a military magnet for the East-West conflict.

The British Government is threatening the security, peace, and well-being of the Latin American peoples.

The Argentine Government thus expects that the international community, and the OAS in particular, will take positive action so that the British Government will definitely stop fortifying the islands and resume peaceful negotiations with the Argentine Government, for the benefit of all the countries of the region, and for the moral and material benefit of the international community. Meanwhile, the Argentine Government and people will continue striving with hope for world peace, well-being, and security.

Mr President, thank you very much.

OAS APPOINTS NEW HEAD FOR DOMINICA OFFICE

FL151358 Bridgetown CANA in English 2256 GMT 14 May 85

[Text] Roseau, Dominica, May 14, CANA -- The Organisation of American States (OAS) today announced the appointment of Jamaican Paul Brown to head its Dominica office with immediate effect.

Brown succeeds the first director to be appointed to the OAS office here, Samuel Lujan, who left in 1980.

Brown is the current resident co-ordinator of an integrated rural development project funded by the OAS, and has been associated with the organisation since 1977 as programme administrator-project manager of a joint OAS-Israeli-Dutch-Jamaica Government rural youth resettlement scheme.

BRIEFS

AREA ARMIES CONFERENCE -- Army Minister General Leonidas Pires on 6 May opened the 16th communications conference of the Latin American armies. The conference is being attended by representatives from Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, El Salvador, the United States, Guatemala, Honduras, Panama, Paraguay, Peru, the Dominican Republic, Uruguay and Venezuela. [Summary] [Brasilia Domestic Service in Portuguese 2200 GMT 6 May 85 PY]

GOVERNOR OFFENDED BY PARAGUAYAN MAYOR'S SPEECH

PY142105 Buenos Aires DYN in Spanish 1740 GMT 14 May 85

[Text] Posadas, 14 May (DYN) -- Misiones Governor Ricardo Barrios Arrechea today walked out of a ceremony commemorating Paraguayan Independence Day on the parade grounds of the Paraguayan border city of Encarnacion, after Encarnacion Mayor Marcial Caballero delivered a speech that the Argentine provincial governor considered offensive.

Upon returning to Posadas, sources close to Barrios Arrechea said that in the speech, delivered before the start of a parade by Paraguayan troops, Caballero strongly criticized the Argentine democratic process, calling it "Marxist." Barrios Arrechea and his entourage left the reviewing stand and the parade ground as the military parade began. The Argentine officials went to the port of Encarnacion and boarded the ferry to return to Posadas.

After learning of the problem, a high-ranking Paraguayan official rushed to the port to apologize on behalf of President Alfredo Stroessner but Barrios Arrechea was already sailing for Posadas.

Governor Explains

PY151802 Buenos Aires Domestic Service in Spanish 1600 GMT 15 May 85

[Excerpts] We held the following conversation with Misiones Governor Barrios Arrechea:

[Begin recording] [Reporter Jorge (Delbet)] Governor, what happened during the meeting in Encarnacion yesterday?

[Barrios Arrechea] We went to Encarnacion to attend the Paraguayan Independence Day celebration. There was an incident caused by the speech delivered by the Encarnacion mayor, who made incorrect comments about Argentine democracy. We were offended, and therefore the Argentine delegation left.

[(Delbet)] Governor, has anyone apologized for this incident?

[Barrios Arrechea] The Paraguayan ambassador in Buenos Aires and the Paraguayan governor of Encarnacion have apologized. I told the governor that we were leaving. He accompanied us to the port and put a boat at our disposal. He apologized, saying that the mayor was speaking only on his own behalf.

[(Delbet)] Do you believe that this incident can be considered closed?

[Barrios Arrechea] I think so. I contacted the Argentine Foreign Ministry to explain that this was only a personal statement and that there was no need for any protest. Therefore, I believe the incident is closed. [end recording]

Paraguay Apologizes

PY151921 Buenos Aires TELAM in Spanish 2321 GMT 14 May 85

[Excerpts] Buenos Aires, 14 May (TELAM) -- It was learned in the Argentine Foreign Ministry today that the Paraguayan Government has expressed concern over the statement made by Jose Marcial Caballero, the mayor of Encarnacion, who criticized Argentine democracy during a ceremony commemorating the 174th anniversary of Paraguay's independence.

Paraguayan Foreign Minister Carlos Saldivar has told the Argentine ambassador in Asuncion, Raul Quijano, that he deeply regretted this incident, that the position of the mayor of Encarnacion under no circumstance reflects the position of the Paraguayan Government, and that bilateral relations with Argentina are excellent.

CAMPS REPORTEDLY PLANNING COUP, EXECUTIONS

PY100320 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2324 GMT 9 May 85

[Text] Buenos Aires, 9 May (NA) -- Roberto Favelevic, president of the Argentine Industrial Union (UIA), has met with General Ramon Camps, retired, former chief of the Buenos Aires Province police. Camps reportedly told Favelevic that "he should not get involved with this Marxist government."

The meeting, which was attended by other persons, including several officers, was held at the 3d Infantry Regiment in the La Tablada District, on the western side of Greater Buenos Aires. The meeting took place during the weekend preceding the UIA election, 3 weeks ago.

The meeting was disclosed today by the weekly EL PERIODISTA and was confirmed by a source closely linked to the business sector, who noted that Favelevic had been invited by a military friend who did not reveal beforehand that the meeting would be with Camps.

Gen Camps, who today issued a harsh statement against the government, is under strict preventive imprisonment ordered by the Armed Forces Supreme Council, which has brought him to trial on orders of President Raul Alfonsin on charges of having committed excesses in repressing subversion.

According to EL PERIODISTA, Favelevic reportedly received the invitation 2 weeks ago and met with Camps at the Tablada Regiment "where he was escorted by a general on active duty." There, the report says, Favelevic was received by a retired officer, "who was surrounded by a group of officers of the regiment, who announced [words indistict] President Raul Alfonsin."

According to EL PERIODISTA, Camps reportedly told Favelevic "that this is a communist government which is trying to destroy the Armed Forces, but that the latter will prevent this by staging another coup, in the wake of which there will be many executions."

"Don't get involved with this Marxist government," Camps reportedly told Favelevic, "who, horrified, left the military regiment and confided only to a few close associates that in his opinion Camps was insane," the report says. EL PERIODISTA also reports that Camps asked an unidentified colonel on active duty "to participate in a commando group which would engage in destablization operations that will culminate in a coup." The colonel, like Favelevic, reportedly rejected the proposition.

EL PERIODISTA then adds that the government and Army Chief of Staff General Hector Rios Erenu, are concerned over Camps' actions and that they are considering his possible transfer to Campo de Mayo. This option, however, has both positive and negative implications. In Campo de Mayo it would be easier to closely scrutinize visits to Camps but, instead, there he would have better chances to contact many officers. Another opinion under consideration is that of transferring Camps to the 28th Infantry Regiment in Monte de Tartagal, Salta Province. Initially, Defense Minister Raul Borras reportedly considered the "very tough" measures of sending Camps to Tartagal, but this possibility has not yet been ruled out. This option would include payment of air fares to Camps' relatives to visit him there at will.

Favelevic Denies Meeting

PY101915 Buenos Aires Domestic Service in Spanish 1600 GMT 10 May 85

[Text] Argentine Industrial Union (UIA) President Roberto Favelevic has flatly denied a report stating that he had met with General Ramon Camps in La Tablada [district in Buenos Aires]. Answering a question, Favelevic stated that he does not know him, that he has not seen Camps or had any chance to see him, now or in the past, and has no reason to do so. Favelevic added that he is unaware of the origin of those reports, recalling that 2 weeks ago, the date of the alleged meeting with Gen Camps, he was busy preparing for the UIA elections.

Camps Transferred to Campo de Mayo

PY140352 Buenos Aires TELAM in Spanish 0249 GMT 14 May 85

[Excerpts] Buenos Aires, 13 May (TELAM) -- Brigadier General Ramon Camps, retired, former chief of police of Buenos Aires Province, tonight was transferred to a military unit in Campo de Mayo, where he will be held under stricter detention. This information was disclosed to TELAM by a military source who noted that Camps was transferred from the 3d Infantry Regiment stationed in La Tablada to the General Lemos School for Combat Support Services. Recent remarks by Camps and some meetings he reportedly held caused Defense Ministry officials to express their concern to Army Chief of Staff Hector Rios Erenu, who approved the transfer ordered by the Armed Forces Supreme Council.

III CORPS TO COMMEMORATE ANTISUBVERSIVE STRUGGLE

PY141635 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1403 GMT 14 May 85

[Text] Cordoba, 14 May (NA) -- The office of the commander of the III Corps headquartered in this city has issued a military communique announcing that a ceremony will be held at its headquarters tomorrow to commemorate "the highlights of the war against subversion." The ceremony will be held at 0730 on the garrison's parade grounds, and its objective will be to "extol the merits of those who participated in that war, pay homage to those who fell in battle, and publicly state the recognition they all deserve." The communique adds that the military authorities have issued a special invitation to relatives of the cadres, to former soldiers from the jurisdiction of the III Corps who participated in the antisubversive struggle, and to relatives of soldiers who died during it.

ARMY COMMAND REPORTS OFFICER ABDUCTED, TORTURED

PY142150 Buenos Aires TELAM in Spanish 2104 GMT 14 May 85

[Text] Buenos Aires, 14 May (TELAM) -- The office of the Army General Staff today issued a communique reporting that on 13 May a group of armed people intercepted and abducted a Cordoba military garrison officer while he was on his way to work. The communique adds that the officer was released in the vicinity of the locality of La Falda, in a mountainous area, in the evening, after 15 hours in captivity, during which he was mistreated, injured, and burned on his face as he was being questioned by his abductors. The communique concludes by saying that the case has been brought before the federal judge on duty, who is conducting the investigation. Later, another communique reported that the case has been brought before Dr Julio Rodriguez Villafane, the federal judge on duty, who ordered secrecy during the inquest.

CENTRAL BANK ORDERS 50-PERCENT PESO DEVALUATION

PY162115 Paris AFP in Spanish 2055 GMT 16 May 85

[Text] La Paz, 16 May (AFP) -- The Bolivian Central Bank today ordered another devaluation of the Bolivian peso which, effective today, will suffer a 50-percent devaluation with regard to the U.S. dollar. Thus each U.S. dollar, whick up until now was equivalent to 50,000 Bolivian pesos on the official exchange market, will now be equivalent to 75,000 Bolivian pesos.

Devaluation Provokes 'Panic'

PY170340 Madrid EFE in Spanish 0307 GMT 17 May 85

[By Javier Viscarra Valdivia]

[Excerpt] La Paz, 16 May (EFE) -- A widespread panic was observed today in local businesses in the wake of another 50-percent devaluation of the Bolivian peso in relation to the dollar. While Bolivian police personnel launched an operation to confiscate dollars from illegal traffickers on downtown streets, residents of La Paz flooded businesses to buy what they could with the money they carried in their pockets; since prices are going up every hour.

The Bolivian peso was officially devaluated by 50 percent, that is, it went from 50,000 to 75,000 pesos to the dollar; and on the black market, to between 270,000 and 300,000 pesos. Less than 2 weeks ago, each dollar was selling for between 130,000 to 150,000 pesos. The devaluation of the Bolivian peso was decreed unexpectedly. This tactic has never been used before by the Siles Zuazo administration since all economic measures had always been announced several weeks ahead of time.

Essential goods and services in general are ruled by the black-market dollar exchange rate, therefore it is presumed that the cost of living will increase at a faster rate than the new minimum salary decreed by the government. The basic salary was 4,135,000 pesos (from $30 to $35 at the black-market exchange rate). Last Tuesday it was increased to 6,555,000 pesos which, vis-a-vis the new black-market dollar exchange rate is slightly in excess of $20.

The economic measure was taken as provided for by a supreme decree issued on 9 February, a decree that establishes mini-devaluations as many times as the Bolivian economy requires. Sources at the Bolivian Central Bank, which put the measure into effect through a notification to all the banks in Bolivia, reported that this tactic, a surprise mini-devaluation, will be put into effect as many times as necessary.

COB Leader Denounces Move

PY170205 Paris AFP in Spanish 0105 GMT 17 May 85

[Text] La Paz, 16 May (AFP) -- Criticizing the monetary devaluation announced by the government this afternoon, Lechin Oquendo, the leader of the Bolivian workers, said that the people should rebel against this action. The 50-percent devaluation of the Bolivian peso raises the price of the dollar from 50,000 to 75,000 pesos.

Lechin said that the measure is scandalous and promised that the Bolivian Labor Federation (COB) will release a communique denouncing the injustice being committed against the people, adding that this is something no one can bear.

Referring to the escalating salary arrangement the government has proposed, the labor leader said that it will no longer be of any help after this devaluation. Referring to the ministers who in the past few days had said that there would be no devaluation, Lechin Oquendo said that one can no longer trust them; it seems that sincerity no longer exists.

For his part, Planning Minister Freddy Justiniano explained that this rate of exchange was forced by the runaway price of the dollar on the black market, but that the new rate will slow the dollar's rise and level off prices in the domestic economy. The minister said that this is a small modification that is not part of a package of measures, and added that the new price of the dollar is far above its real price.

On Camacho Avenue, where blackmarketeers operate, some people were offering 300,000 pesos to a dollar, that is, 300 percent above the existing official rate. Restaurants and shops closed their doors in order to mark up the price of their goods. In 1984, the Bolivian peso devaluated by 2,400 percent which, according to experts, was the largest percentage of devaluation in the world.

LABOR MINISTRY OFFICIALS FIRED FOR EMBEZZLEMENT

PY161410 Madrid EFE in Spanish 0034 GMT 16 May 85

[Text] La Paz, 15 May (EFE) -- Bolivian Labor Minister Gabriel Porcel today dismissed Deputy Labor Minister Osvaldo Poppe and administrative Labor Director Lucy Balderrama, who were charged with the embezzlement of 11.25 billion pesos (some $50,000 at the black-market exchange rate). The funds, which were earmarked for an emergency program for the unemployed, who are very numerous in this country, were arbitrarily and improperly transferred from the account held by the Labor Ministry at the Bolivian Central Bank to a private account without any authorization whatever.

Once the involvement of the officials of Hernan Siles Zuazo's government was proven, Minister Porcel immediately dismissed them and ordered that the funds be returned. However, the people involved in the embezzlement are still at large.

Adan Cortez, a low-ranking Labor Ministry official, has charged Deputy Labor Minister Poppe with using the nearly $50,000 to hold the convention of the ruling party, the Nationalist Revolutionary Movement of the Left (MNRI), which was held 2 weeks ago.

On their part, leaders of the leading opposition parties this week made other accusations about the use of state funds for the political campaign of the ruling party.

FOREIGN MINISTER ON CUBAN RELATIONS, NICARAGUA

PY161538 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 16 May 85

[By Pedro Luis Ronco]

[Excerpt] Yesterday in the Federal Chamber of Deputies Foreign Minister Olavo Setubal made important revelations on Brazil's official position regarding two main problems: Cuba and Nicaragua.

The foreign minister spoke yesterday morning before the Foreign Relations Commission in the Chamber of Deputies. He answered deputies' questions for more than 5 hours.

He said that Itamaraty is now studying the resumption of relations with Cuba, taking into account the aspects of national security raised by Tancredo Neves. He said that there is no date yet for the conclusion of this study, but that as soon as it is ready it will be submitted to the government, because the decision to resume relations with Cuba is the exclusive responsibility of the Brazilian Government.

According to Setubal, the proposals for the resumption of relations are being studied with due approval by the Senate and the Chamber of Deputies. He added that he could not expect any other decision from the deputies but that of absolute support. The foreign minister stated that the almost unanimous support of the congressmen for the resumption of relations will certainly have a heavy impact on the government's decision.

Regarding trade relations with Cuba, Setubal believes that they will be minimal, because the two countries are competitors, as producers of sugar and other products exported by both Brazil and Cuba.

Regarding the Nicaraguan issue, Setubal said that Brazil is giving full moral support to Nicaragua against the economic restrictions imposed by the United States, and that our country supports the Contadora Group, which seeks a negotiated solution to the Central American conflict.

NIGERIA TO PURCHASE 50 TUCANO TRAINING PLANES

PY152010 Paris AFP in Spanish 1434 GMT 15 May 85

[Text] Brasilia, 15 May (AFP) -- Nigerian Planning Minister Michael Adigun today announced that Nigeria is studying the purchase of 50 Tucano training airplanes from the Brazilian Embraer Company. The minister, who is attending the Nigerian-Brazilian Mixed Commission meeting, added that the airplanes are for training Nigerian Air Force pilots, and that eventually the airplanes could be assembled in Nigeria. Embraer has already sold training airplanes (two-seat turboprop) to Great Britain, Honduras, Iraq, and Egypt.

In the field of military cooperation, the naval forces of the two countries will carry out joint military operations before the end of this year, and Brazil will provide aid for training Nigerian naval officers.

The two delegations, which have been meeting since 13 May in Brasilia, are also studying ways to extend cooperation into the agricultural and industrial fields with the creation of mixed Brazilian and Nigerian firms. In the trade field the two countries have a goal to enlarge trade to $2 billion by 1986, which would make Nigeria a more important Brazilian partner than any Latin American country.

DISAGREEMENT BETWEEN MINISTERS ENDS PEACEFULLY

PY161714 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 16 May 85

[Excerpt] The political disagreements between Labor Minister Almir Pazzianotto and Industry and Commerce Minister Roberto Gusmao have ended without casualties, dismiss s, or loss of authority, but with kisses and embraces. These disagreements have, how ver, had a moral winner: the labor minister, who has won the support of the president of the Brazilian Democratic Mobilization Party [PMDB], of the PMDB congressional leaders, and of the labor leaders.

Joaquim dos Santos Andrada, president of the Sao Paulo metalworkers, for example, went to Brasilia to express solidarity with Pazzianotto, and stated: For some ministers of the new Republic, such as the industry and commerce, and communications ministers, political opening and democracy are mere meaningless words. However, there are leaders with different views, such as Sao Paulo Governor Franco Montoro, according to observations made by reporter Bahia Filho.

[Begin Filho recording] Sao Paulo Governor Franco Montoro feels that the disagreements between Ministers Pazzianotto and Gusmao regarding the strike movements will not cause any damage to the image of the new Republic. Montoro feels that they represent two areas not opposed to each other, but complementary to each other. The Sao Paulo governor supports the position adopted by the labor minister, who has achieved agreements with the working class without resorting to intervention in the unions, thus making possible the solution of the conflicts under the democratic regime. Montoro agrees with the political pact proposed by President Jose Sarney, because it will strengthen the new Republic. [end recording]

BRIEFS

BRASILIA GOVERNOR INSTALLED -- On 9 May Justice Minister Fernando Lyra installed Jose Aparecido de Oliveira as governor of the Brasilia Federal District. [Summary] [Brasilia Domestic Service in Portuguese 2200 GMT 9 May 85 PY]

RONDONIA GOVERNOR APPOINTED -- Congress has approved the appointment of state Deputy Angelo Angelin as governor of the State of Rondonia. [Text] [Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 9 May 85 PY]

ITAIPU OFFICIALS APPOINTED -- The former governor of Parana State, Ney Braga, has been appointed general director of the Itaipu Binational Enterprise. At the same time, Paulo Richer, secretary general of the Mines and Energy Ministry; Mario Bhering, president of Brazilian Electric Power Companies, Inc. [Eletrobras]; and Sebastiao Marcos Vital, secretary general of the Finance Ministry, have been appointed councillors of the enterprise. [Excerpts] [Sao Paulo FOLHA DE SAO PAULO in Portuguese 11 May 85 p 8 PY]

INDUSTRIAL PRODUCTION INCREASES -- In the first quarter of this year, industrial production increased 9.46 percent over the same period in 1984. The increase is mainly due to mineral extraction and oil production. [Excerpt] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 May 85 p 1 PY]

ILLITERATE GRANTED RIGHT TO VOTE -- Congress has decided to grant illiterates the right to vote, but not the right to run for office. [Summary] [Rio de Janeiro O GLOBO in Portuguese 9 May 85 p 7 PY]

PINOCHET TO DECIDE ON EASTER ISLAND AIRPORT

PY170135 Santiago Radio Chilena in Spanish 2300 GMT 16 May 85

[Report by Osvaldo Yanez from Government House]

[Excerpt] The president of the Republic is the one who will decide on the proposal to expand the Easter Island airport so that it can be used for emergency landings of the NASA space shuttles.

Interior Minister Ricardo Garcia presided over a meeting at La Moneda Palace that lasted from 1600 to 1745. At the conclusion of the meeting, Interior Under Secretary Alberto Cardemil told the press that it was a meeting to study the issue of drafting proposals to be submitted to the president of the Republic, who will ultimately decide on this issue. Cardemil made it clear that no concrete proposal was drafted this afternoon during the meeting, for which reason another meeting will be held tomorrow, Friday, and, if necessary, another one yet next Monday until the review of this issue is completed.

BISHOPS CRITICIZE PINOCHET'S 'EXCEPTIONAL POWERS'

PY161650 Paris AFP in Spanish 1959 GMT 15 May 85

[Excerpt] Santiago, 15 May (AFP) -- The Catholic bishops warned today that the abuses and arbitrary actions committed in Chile have their origin in the exceptional powers bestowed upon President Augusto Pinochet to order detentions without resorting to the courts. These powers are granted to the president through transitional Article 24 of the Constitution promulgated by the military regime 4 years ago, which also extended Pinochet's term in office until 1989.

The bishops stated that transitional Article 24 is the main cause of the abuses and arbitrary actions which are committed or suspected, and should this article be repealed, respect for and confidence in the law and in the courts would increase. This statement was issued today during a press conference at the end of the meeting of the episcopate's permanent committee that was held yesterday, 14 May. The committee members expressed their concern over the recent political crimes and over the impunity of those who are responsible for these crimes, thus creating an extremely harmful climate of insecurity and suspicion in the country.

CATHOLIC 'ACTIVISTS' DENOUNCE TORTURE CENTER

PY160325 Paris AFP in Spanish 2158 GMT 15 May 85

[Text] Santiago, 15 May (AFP) -- Today Catholic activists from an antitorture movement staged a demonstration in Santiago near a building which they claimed houses a secret government jail. Nearly 200 demonstrators, including priests, nuns, and seminarians, carried a banner with the address of Building 237, 18th Street printed on it, and below the address the words "House of Torture." The demonstrators announced that a secret jail exists there, and then after 5 minutes disbanded without any incidents with the police.

In a communique the demonstrators explained that they wanted to express their solidarity with the fasting relatives of the victims of repression.

Relatives of nine members of the opposition who were killed for political reasons over the past 4 months began a hunger strike at the Santa Filomena Church 13 days ago demanding the clarification of the murders. Today's demonstration at the corner of 18th Street and Bernardo O'Higgins Boulevard was organized by the Sebastian Acevedo Movement against torture in the name of a worker who burned himself alive in November 1983 demanding the release of his two children who had been arrested by the security service.

MAN ARRESTED FOR LO PRADO BOMB ATTACK

PY151357 Madrid EFE in Spanish 0344 GMT 15 May 85

[Text] Santiago, 14 May (EFE) -- A 25-year-old man has been placed at the disposal of the sixth criminal court. He is accused of being the author of the attack on the Lo Prado municipal hall in Santiago, where 2 people were killed and 17 injured. The bomb attacks against this and two other municipal halls have left a final toll of 2 killed and 28 injured, Chilean Interior Minister Ricardo Garcia reported tonight. The state-owned news agency ORBE tonight reported that Raul Jose Munoz Silva was taken to an emergency medical center with wounds in the buttocks caused by three Army-made bullets. At first Munoz explained that he had been hit at Lo Prado by bomb splinters, but according to ORBE, he then confessed that he participated in the attack. He has been put at the disposal of the courts for breaking the antiterrorist law. The news agency added that a bag with two hand grenades was found at the site of the explosion, and that a similar grenade was found under the body of the unidentified woman who died in it. The agency said that the bomb that exploded was of the Vietnamese type.

Meanwhile, the government and the Chilean Human Rights Commission tonight repudiated the terrorist attacks. Minister Garcia condemned these cowardly incidents, whose authors do not even respect the lives of children, who destroy valuable property and attack coexistence among us. He said that among the 17 wounded at Lo Prado there are two with serious injuries, one of them a child of 4, and nine in less serious condition, three of whom are children of 7, 9, and 11 years of age, while six people have slight injuries, among them a child of 7. According to the authorities, an anonymous telephone caller identifying himself as belonging to the Manuel Rodriguez Patriotic Front gave a warning 5 minutes before the Lo Prado explosion that the bomb was about to go off.

FPMR Denies Involvement

PY170225 Paris AFP in Spanish 2149 GMT 16 May 85

[Text] Santiago, 16 May (AFP) -- The clandestine Manuel Rodriguez Patriotic Front (FPMR) today denied responsibility for two dynamite attacks that took place on 14 May and left a toll of 3 dead and more than 20 wounded in Santiago. The government of General Augusto Pinochet has charged that the bombs, which went off in a school and in a muncipal building, had been planted by FPMR members.

In telephone calls to AFP and to other media organizations in Santiago, an FPMR spokesman rejected the charge and noted that the FPMR militiamen are fighting the dictatorship and will never attack helpless people. In a communique issued in the wake of these calls, the FPMR added that these attacks are out of keeping with the FPMR's objectives and mode of operations and are just diversion tactics being used by government security organizations. The FPMR, which is regarded by the government as the armed branch of the Communist Party, has claimed responsibility for acts of sabotage, blackouts, and other subversive actions that have taken place in recent months.

PRESIDENT BETANCUR ON NEED FOR PARDON LAW

PA160232 Bogota Domestic Service in Spanish 2330 GMT 14 May 85

["Excerpts" of speech by President Belisario Betancur at the General Santander School of Cadets in Bogota on 14 May -- recorded]

[Text] Compatriots: This ceremony, which reflects the strong roots of Colombian legal and political institutions, is most significant today as defiant criminal elements in agreement are crashing in vain against our democratic and peaceful spirit. The future of peace can be seen more clearly during situations such as the one we are currently experiencing. Achieving peace is a necessity at a time when the crazy imprudence of a few leads them to strive to destroy this basic aspiration of any civilized society.

With serenity, leaving optimism aside, in the face of what we are suffering today we must ask ourselves: What could be happening now had we not committed ourselves to achieving and consolidating coexistence; had we not engaged in rational discussions on the political, economic, and social problems of Colombia? All this is taking place as we are carrying out this process. What would happen if we were experiencing a civil, nondeclared war amid the indifference of our people?

Today, according to reports we have seen, a percentage of my compatriots are voicing skepticism toward our peace policy; I understand and respect them. However, I feel that my duty as president of the Republic is to continue on this difficult path toward peace until the last moment of my tenure. I will do this not because I am arrogant or selfish, but because I believe that due to a crazy utopianism, the president must respond to the call of his conscience, especially when this call involves the lives, honor, and property of his fellow countrymen, and the fate of our homeland as well.

This despairing and skeptical majority convinces the president that he must make even greater efforts; that he must act in keeping with history; that he must act with the certainty that in the end that same history will view him as a human being who accepted the challenge and the risk of being unpopular by fighting unrelentlessly to improve the lives of other human beings; to ensure that the mind and not frantic instincts will guide his homeland; that guided by understanding he will grant pardon and not seek revenge; that he will make these guidelines the basic symbols of a Christian society.

These reflections lead us to the realization that peace is necessary as is the idea of a pardon that will become a reality in the form of the pardon law. Let us not misunderstand this: The pardon does not constitute a political commitment; it does not give an advantage [gabela] to criminals. The pardon law presented to the honorable Congress is an expression of the calm strength of Colombian society; it is a banner flown before nationals and foreigners to demonstrate that Colombia advocates a humanistic policy; that the community and government advocating it are capable of offering things of this nature to people who have unsuccessfully promoted insurrection and committed crimes without [word indistinct] in defense of their own ideals, which are exclusive to them and are dogmatic in nature.

The proposed pardon extols Colombian democracy and the people supporting it. This pardon, which is now being criticized and denigrated by some who would perhaps benefit from it, constitutes indisputable evidence that our society can be generous, because it is stronger than the enemies confronting it.

It is true that we are facing a subversive escalation which was perhaps launched to block approval of the law granting selective pardon to those who have committed political crimes. Extremist sectors know well that the proposed pardon will help consolidate a reconciliation, facilitate the incorporation into civilian life of those who accept the generous hand extended by the state, and establish conditions and deadlines within the process that is already under way.

Extremist sectors realize that this week, when the fate of the pardon law could be decided, is their last opportunity to destroy [words indistinct] the peace policy. That is why they have redoubled their absurd and ignominious activity. We will not fall into this trap; we will not cease to exercise our duties. Civilian, military, and police authorities will continue to make concerted efforts to enforce the law; they will ensure enforcement of the law and punishment of criminals. We will act with good judgment and prudence, but with firmness, without straying from our path. We will continue our march toward peace; we will not be (?discouraged) by difficulties they will deliberately place before us.

I am confident that similar reflections are being made by the honorable congressmen, in keeping with their urgent responsibility at this time, because the threat of subversion is not only facing the police, government, and specific groups or social sectors, it faces the entire population, our entire political system. This is why we must reply in unison. We must remember the institutional solidarity that helps us respond with decisions leading to the improvement, consolidation, and perfecting of our democratic system, which is an honorable example for the world.

I remember when the Amnesty Law was approved almost 2 and 1/2 years ago in the legislative chambers after extensive discussion, I said that we were embarking on a long and difficult journey. We are still on that journey, which has proved to be longer and more difficult than we had anticipated. However, our [word indistinct] is still there; the initial determination is still intact. The determination with which we would face other emerging obstacles is equally strong. The peace policy is not a personal dream; it is not something with a proper name. [Words indistinct] although history books will personalize periods and events, the people are the real great protagonists. Aware of this, the current Colombian president knows that his name and work are already in the hands of history, which will judge whether they were good or bad. However, he is inwardly calm, because he realizes that he has fulfilled his duty as a human being, a Christian, and a ruler by holding the flag of peace very high, knowing that his personal fate means nothing compared to the fate of all Colombians.

FOREIGN MINISTER CITED ON ENCARNACION INCIDENT

PY162200 Asuncion PATRIA in Spanish 16 May 85 p 11

[Text] Last night Paraguayan Foreign Minister Carlos A. Saldivar referred to the incident that took place in Encarnacion. Minister Saldivar said that an Argentine newspaper stated that the Paraguayan Foreign Ministry had discussed the issue with its Argentine counterpart, "which is not true, since our ministry has not brought the issue up before the Argentine Foreign Ministry." Saldivar added that the Paraguayan Government has no official information on the incident "as is logical, since it has no importance, and even less could it affect our good relationship with Argentina, which is above such things." Saldivar then said that "we must bear it in mind that today, more than ever, our relationship is very positive and this is reflected in the monumental Yacyreta project that our two countries have undertaken. "The Paraguayan minister then said that the Argentine-Paraguayan relationship should continue as is, "following the positive and not the negative paths" and once again reiterated that "this incident does not affect the links between the two countries." Saldivar ended by stating that "if there is something to regret, it is the fact that someone left a ceremony in which we were celebrating another anniversary of our emancipation."

COMMENTARY SEES REAGAN IN 'FASCIST' ROLE

PY092300 Asuncion EL PUEBLO in Spanish 9 May 85 p 7

[Commentary by Marcial Gonzalez Safstrand: "Reagan Playing the Best Role of His Life"]

[Text] The actor-president who has been able to obtain the best role of his career, that is, to be the leader of the most powerful country in the world, is an actor known for his lack of talent. But even in his present role, his lack of talent is becoming obvious in the picture he is putting on in Central America since he is making a horrible interpretation of a peacemaker and democrat.

In true life he is a fascist, but in the farce he has set up in Central America, he plays the role of a peace-loving democrat, a false role he has assigned himself.

The democratic model that our character wants to impose in Nicaragua is the "democracy" followed by the Somozas, by Duvalier, Pinochet, Videla, Stroessner, Idi Amin, and others like them. To try to deceive the credulous our protagonist speaks of peace, democracy, social justice, disarmament, freedom of the press, and so on. However, in doing so he engages in great contradictions.

While he issues a "peace plan", he is also requesting $14 million for Somoza mercenaries to kill Nicaraguan patriots, and he describes those senators who do not support his paranoid plan as being immoral. He speaks of disarmament, but at the same time he also talks about the "star wars" plan, MX missiles, and rockets with nuclear warheads. While he denounces and condemns leftist terrorists, he also praises, promotes, supports, and offers financial aid to rightist terrorism. While he denounces Nicaraguan authorities for censoring the independent press, the Paraguayan Government shuts down the newspaper ABC COLOR without Reagan saying a single word in this regard.

In "communist" Nicaragua, despite the censorship, the newspaper LA PRENSA, which is the only independent newspaper, can circulate freely; but in our "democratic" country, in view of a "patriotic and democratic" decision adopted by the system, the newspaper ABC COLOR, which is the only independent newspaper, has been out of circulation for the past 13 months. Our talented actor does not say anything in this regard.

We suppose that Adolf Hitler probably had the same attitude and behaved in the same manner that our character actor does. Moreover, if we make a comparison between the two, we shall see that they have several points in common. Hitler had his Gestapo, Reagan has the CIA. Hitler wanted to exterminate the Jewish people, Reagan wants to exterminate the Nicaraguan people, and he is implementing a plan to achieve this goal.

EXILES DEMONSTRATE IN BUENOS AIRES STADIUM

PY101526 Madrid EFE in Spanish 0337 GMT 10 May 85

[Text] Buenos Aires, 9 May (EFE) -- Hundreds of Paraguayan exiles residing in Buenos Aires demonstrated tonight against General Alfredo Stroessner's government during the soccer game played between the Argentine and Paraguayan national teams.

The fans in the low-priced sectors of the River Plate soccer stadium expressed their opposition to the Paraguayan regime by chanting and waving placards saying "Free Paraguay" and "Down with the dictatorship."

Among the demonstrators were representatives of the Febrerist Colorado, and Authentic Radical Liberal parties; the Colorado Youth, and the Paraguayan Confederation of Workers in Exile (CPT-E), headed by CGT-E Secretary General Basilio Gonzalez Hermosilla.

Before entering the stadium, exiled youth leader Juan Mendez Vall, who wielded a Paraguayan flag, stated: We have come to cheer the Paraguayan team and to express, for the umpteenth time, our repudiation of the tyrant Stroessner and his regime, which has handcuffed freedom and the rights of our people.

Colorado Youth Leader Victor Hugo Pena explained: We are not mixing sports with politics. We are just making use of the liberties granted us by this blessed Argentine country to express ourselves against an immoral dictatorship.

In conclusion, Gonzalez Hermosilla stated: The Paraguayan people continue to be subjugated, but we will not give up until freedom and dignity are restored to all the inhabitants of our dear country.

U.S., SOVIET, CHINESE EMBASSY RESIDENCES BOMBED

HK170354 Hong Kong AFP in English 0347 GMT 17 May 85

[Text] Lima, May 16 (AFP) -- The U.S., Soviet and Chinese Embassy residences were bombed here Thursday night, Peruvian police said, presumably by the Maoist "Shining Path" guerrillas. Police said there was some damage, but no casualties at those three points.

But there were many more explosions in the capital. Police estimated that at least 20 blasts were heard after part of this city of five million inhabitants was blacked out by sabotage. Shining Path had already blacked out Lima a dozen times since launching a guerrilla war five years ago, but had never before carried out so many attacks here.

A witness who saw the attack at the U.S. Embassy residence said a tall man got out of a blue car, hurled a bomb into the garden, and fled. A policeman guarding the Chinese Embassy narrowly escaped being hurt by the blast there, police said. A police guard at the French Embassy, located near the Soviet and Chinese Embassies in the San Isidro neighborhood, said he heard five explosions.

Saturday will be the fifth anniversary of Shining Path's first commando attack -- in the remote Ayacucho District of the Andes Mountains in south central Peru.

Witnesses said a man threw two bombs at the Peruvian-North American Cultural Institute in downtown Lima, then escaped in a red car. There were two blasts at the nearby Plaza Italia, three at San Marcos National University, two at an office of the Electrolima Power Company.

The founder and leader of Shining Path, Professor Abimael Guzman, 50, is said to have ideas similar to those of Cambodian Communist leader Pol Pot. Guzman's followers call him "Marxism's fifth sword" (after Marx, Lenin, Stalin and Mao Zedong). About 6,200 people have been killed in five years of hostilities, mostly Andes Indian peasants. There have been several massacres by security forces and by village militiamen as well as by the guerrillas.

The electric power failure Thursday night also blacked out Huancaya, 312 km (200 miles) to the east, and Trujillo, 547 km (320 miles) to the north. The explosions came immediately after the lights went out at 8:55 p.m. Soldiers rushed to the bombed neighborhoods on foot and in armored cars. Electric lights gradually went back on in various parts of Lima late at night.

Various Sites Damaged

PY170407 Madrid EFE in Spanish 0351 GMT 17 May 85

[Text] Lima, 16 May (EFE) -- At least nine bombs exploded simultaneously tonight in several places in Lima along with a partial power cut that provoked blackouts that were almost immediately corrected. Among the places affected by the explosions are the U.S. ambassador's residence, near downtown Lima; the Chinese Embassy, in the San Isidro District; and the Peruvian-U.S. Cultural Institute building, in the downtown area of this city.

Other attacks affected the University of San Marcos, where three devices exploded; the area adjacent to the Plaza Italia in Lima; and an office of the Lima Electricity Company in the San Juan de Miraflores District.

The bomb at the residence of the U.S. Embassy was thrown over the wall into the backyard by an unidentified individual. The individual got away in a car, and the explosion caused no damage. The doors of the Chinese Embassy, however, were seriously damaged by the explosion of two sticks of dynamite. Another two bombs that were thrown by one individual shattered the windowpanes on the facade of the Peruvian-American Cultural Institute. Two more explosions badly damaged the front door and windows of the Electrolima office.

Official sources said that the cause for the power outage was not known, but that the coincidence of the blackout and the explosions makes one presume that it was caused by terrorists.

[Paris AFP in Spanish at 0401 GMT on 17 May adds: "A witness to the attack on the U.S. ambassador's residence, which is approximately 20 blocks from downtown Lima, said that a tall man wearing blue pants and a brown jacket stepped out of a blue car, hurled a bomb into the garden, and then quickly fled down Petit Thouars Avenue. The USSR and Chinese residences were also attacked with bombs which caused some damage but no injuries. A policeman who was standing guard at the Chinese Embassy said he miraculously escaped injury from the explosion."]

Partial Blackout of City

PY170310 Paris AFP in Spanish 0235 GMT 17 May 85

[Text] Lima, 16 May (AFP) — According to police sources, an unexpected power cut tonight caused a partial blackout in this capital of more than 5 million people. A policeman who was standing guard at the French Embassy said that he heard about five explosions in the area, two of them very strong. Officials said police personnel were immediately mobilized to take the appropriate actions. According to early reports, the blackout affected residential districts in the southern part of Lima as well as the area adjacent to the Jorge Chavez International Airport. The blackout started at 2055 local time.

MULTISECTOR COMMISSION TO STUDY SOVIET FISHING

PY161655 Lima Radioprogramas del Peru in Spanish 0000 GMT 16 May 85

[Text] A multisector commission will be in charge of studying the fishing problems between Peru and the Soviet Union. This commission will be made up by representatives of the Ministries of Foreign Relations, Economy and Finance, Fishing, and the Navy, according to Foreign Minister Luis Percovich Roca. Percovich said that this commission will be appointed by the president of the council of ministers, and its reports will provide the foundation for the most appropriate decisions on the issue in question. Percovich also said that he has been visited by the ambassador of the Soviet Union in Peru, who voiced his concern over the statement of Peruvian Fisheries Minister Ismael Benavides, who has said that the Soviet fishing fleet must leave Peruvian waters.

INDUSTRY MINISTER ON EXPORTS TO U.S, DEBT

PY161705 Lima Cadena America Television in Spanish 0330 GMT 16 May 85

[Text] Recently implemented U.S. protectionist measures will not affect Peruvian exporters at all, Industry Minister Alvaro Becerra stated this afternoon.

The minister explained that there is a Peruvian-U.S. accord that allows Peru to export $240 million worth of textiles. Becerra also announced that Yugoslavia has agreed to allow Peru to pay back the debt it has with Yugoslavia in non-traditional products worth $50 million.

[Begin recording] [Becerra] As far as textiles are concerned, we signed an agreement in December by which the Peruvian textile industry can export up to $240 million worth of textiles per year. The agreement also allows for a 6-percent increase every year, which means that our position is secure.

[Reporter] You have announced that part of our debt with Hungary will be paid in nontraditional products. What can you tell us about it?

[Becerra] Well, this is a Peruvian project we have already implemented with the Soviet Union according to which we are paying $210 million worth of nontraditional products this year. Other agreements have been reached with Yugoslavia to pay back $50 million in nontraditional products. We are currently negotiating with Czechoslovakia, and this administration feels that this way Peru can save foreign currency, reactivate its means of production, and pay back its debts. [end recording]

ELECTORAL COURT STILL UNDECIDED ON SECOND ROUND

PY161355 Lima Radio del Pacifico in Spanish 1300 GMT 16 May 85

[Excerpts] Romulo Munoz Arce, acting Electoral Court president, yesterday rejected charges of fraud in the recent elections and added that all cases in which it is proven that the ballots have been tampered with will be reported to the Interior Ministry.

Munoz Arce asserted that the counting of ballots should be completed by the end of the week and that, once this is done, the Electoral Court will decide whether a second round will be held.

BRIEFS

RTP EXECUTIVE BOARD INSTALLED -- The executive board of the Peruvian Radio and Television [RTP] enterprise was installed on the night of 9 May. Journalist Javier Salazar Olivares, the general manager of the news agency ANDINA, is now presiding over the RTP executive board. [Excerpt] [Lima Radio del Pacifico in Spanish 1300 GMT 10 May 85 PY]

PRESIDENT REINSTATES MILITARY RANKS TO 'LEFTISTS'

PY160345 Madrid EFE in Spanish 2207 GMT 15 May 85

[Text] Uruguayan President Julio Maria Sanguinetti today reinstated military ranks to seven officers of the Armed Forces who were punished for their leftist standings by the de facto regime. Among the reinstated officers is Colonel Carlos Zufriategui, a leader of the left-wing coalition Broad Front, who was held in detention for 10 years for participating, along with General Liber Seregni, in a demonstration against the military regime on 9 July 1973. The other officers, who had been stripped of the ranks that the democratic government today reinstated to them, are Air Force Captains Carlos Escuder and Felix Rosales, Majors Brum Canet and Humberto Sena, Captain Yamandu Della Santa, and Army Captain Edison Arrarte.

Last week the Sanguinetti government reinstated leftist Generals Liber Seregni and Victor Licandro, something which caused dissatisfaction within the Armed Forces. As a result of the reinstatement of the military ranks to left-wing military men, 4th Army Division Commander General Jose Siqueira asked to retire.

On 14 May President Sanguinetti overcame the first military crisis of the democratic government by appointing General Angel Barrios, one of the most professional and open-minded Army officers, as the commander of the 4th Army Division, the unit traditionally lodging the hardliners of the military regime.

GENERAL BARRIOS ASSUMES 4TH DIVISION COMMAND

PY141647 Madrid EFE in Spanish 1442 GMT 14 May 85

[Excerpt] Montevideo, 14 May (EFE) -- General Angel Barrios, a military officer well known for his leanings in favor of political relaxation, has been appointed commander of the Uruguayan 4th Army Division, replacing General Jose Maria Siqueira, who has asked to retire. During the military dictatorship Gen Barrios was foremost among those who had sought agreements to bring about democratization. Barrios was the director of IMES, Military Institute of Advanced Studies, and had no troops under his command. Gen Siqueira is considered a close friend of the last Uruguayan de facto president, Gregorio Alvarez, and the source of the near-crisis over the weekend.

FINANCE MINISTER ANNOUNCES SALARY HIKES

PY160300 Montevideo Radio Carve in Spanish 0000 GMT 16 May 85

[Excerpt] Finance Minister Ricardo Zerbino tonight announced salary increases, which are effective as of 1 April, for public servants. The average salary increase is 21 percent with special emphasis placed on the lowest salary brackets. A significant increase in the family bonus was also approved since the government attempts to support the family unit. Children's Council officials enjoyed a special consideration since they had earned the lowest wages.

Zerbino revealed that the new national minimum salary for private sector workers totals 6,000 new pesos with payments also backdated to 1 April. Family allowances are also increased by 20 percent.

ALGERIAN PRESIDENT BENDJEDID ENDS OFFICIAL VISIT

Holds Press Conference

PA162258 Caracas Television Service in Spanish 1600 GMT 15 May 85

[Report by Martin Pacheco on a press conference held by Algerian President Chadli Bendjedid at La Vineta presidential residence in Caracas; date not given -- recorded]

[Text] During a press conference, President Chadli Bendjedid expressed his concern over the Central American situation, which he specifically described as grave. He urged the Contadora Group countries to join efforts in seeking the necessary agreements that will put an end to the explosive Central American situation.

Bendjedid told the journalists that at this time Algeria and Venezuela share the same viewpoints regarding the international economic and political situation, and are also in favor of a more compact agreement within OPEC, in order to ensure compliance with the regulations issued by this international organization. Bendjedid also voiced his disagreement with the policies of the United Kingdom and the USSR, that are sort of conspiring against OPEC by selling their surplus oil.

He also referred to the upcoming OPEC meeting, to the relations between Latin America and Africa, and to the need for a greater unity between the Latin American and African countries to face the foreign debt problem. He said that under the current circumstances, the developing countries will not overcome their crisis unless they arrive at an agreement with the powerful nations regarding the foreign debt problem.

Meets Lusinchi

PA161952 Caracas Television Service in Spanish 1600 GMT 15 May 85

[Report by Martin Pacheco]

[Text] Algerian and Venezuelan Presidents Chadli Bendjedid and Jaime Lusinchi, respectively, once again reaffirmed the ties of friendship and mutual cooperation between both countries.

[Begin Pacheco recording] The meeting between the Venezuelan and Algerian presidents ratifies once again the similar views that both countries have on important subjects such as the Central American situation and the strengthening of OPEC. Moreover, they both agreed on the need to strengthen democracy, and that peace and disarmament are important in order to achieve world peace. During their analysis of the international situation, the two leaders agreed that their two countries are currently identified in very important areas such as trade, as well as in international political and economic matters. In this manner, Venezuela and Algeria are actively participating in the struggle for peace and democracy. [end recording]

Prior to the meeting between the two presidents, during his speech on the occasion of President Bendjedid's visit to the National Congress, Senate Chairman Reinaldo Leandro Mora said that the role played by Venezuela and Algeria in OPEC not only represents the first step in defense of oil-producing countries, but also an action in favor of international justice. Mora stressed that Algeria and Venezuela, as members of this organization, have defended the movement of developing countries against the interests of those who regard OPEC as a simple cartel of producers.

It was a good occasion to stress the importance of the exemplary unity of the two nations that, despite their geographical distance, act together in common actions which reaffirm each day the ties of friendship and solidarity.

These ties clearly demonstrate that Third World countries must struggle together for the defense of human rights, and for the economic and political independence of our peoples. In the eyes of the world today, Venezuela has made the predictions of the fortunetellers come true, which Mora described as the unity between Latin America and Africa.

President Bendjedid said that Venezuela values the virtues of solidarity, and thus Venezuela and Algeria will always reach understanding through common views for joint actions.

Signs Agreements

PA162300 Caracas Television Service in Spanish 0000 GMT 16 May 85

[Report by Elsi Barrueta]

[Text] The presidents of Algeria and Venezuela met at the Miraflores Palace late this afternoon. In this scene we observe them walking toward the Peruvian Sun Room, where, after receiving military honors, they attended a ceremony during which the foreign ministers of the two countries signed three important bilateral agreements. The first provides for the creation of a joint Algerian-Venezuelan intergovernmental committee, the second is a trade agreement, and the last a cultural exchange agreement.

The joint intergovernmental committee will be responsible for exploring all the possibilities and modalities for bilateral cooperation, with an emphasis on industry, agriculture, communications, transportation, trade, tourism, and health. The committee will extend its work over a 5-year period, with bilateral meetings every 2 years. The cultural and trade agreements include guidelines for bilateral exchange in those two fields.

This meeting marks the conclusion of the Algerian president's visit to Venezuela. He will leave the country early tomorrow morning.

Departs Country

PA161751 Caracas Television Service in Spanish 1600 GMT 16 May 85

[Text] This morning Venezuelan President Dr Jaime Lusinchi saw off Algerian counterpart Chadli Bendjedid at the Simon Bolivar International Airport. Here is a report by Martin Pacheco from the Simon Bolivar Airport in Maiquetia:

[Begin report] Thus concluded a truly fruitful visit during which, first of all, the excellent relations between Algeria and Venezuela were stressed. Second, it was stressed that greater cooperation is needed to achieve a consensus on the search for a new international economic order, the need to bolster OPEC, and implement the Contadora Group's policies to achieve a negotiated peace in Central America. [end report]

CONTINUATION OF OIL SALES TO NICARAGUA ANNOUNCED

PA160311 Mexico City XEW Television Network in Spanish 1955 GMT 4 May 85

[Abel Magana report from Managua -- recorded]

[Text] Manuel Armendariz, director of the Mexican Foreign Trade Institute, announced here today that Mexico will continue selling oil to Nicaragua under the terms of the San Jose agreement. Before representatives of the top Mexican and Nicaraguan managerial echelons, Armendariz also noted that this country enjoys preferential treatment in its trade with Mexico.

At the opening of a meeting of the Mexican-Nicaraguan Managerial Committee, attended by leading representatives of private enterprise in our country and Nicaragua, Jorge Chapas, president of the Business Coordinating Council, defended the participation of the private sector in the economy of nations. He noted that private initiative plays a significant role in the development of both Mexico and Nicaragua, and its participation may be regarded as a key element.

PEMEX TO RETAIN EARNING GOALS DURING 1985

FL161504 Mexico City NOTIMEX in Spanish 2307 GMT 15 May 85

[Text] Mexico City, 15 May (NOTIMEX) -- PEMEX Director Mario Ramon Beteta said today that PEMEX would maintain its goal of obtaining $16 billion in foreign exchange during 1985 by exporting crude oil, as long as market circumstances do not change. Nevertheless, he admitted that there are pressure in the international market that tend to push prices downward.

During a speech at an international seminar on participation by public enterprises in economic development, Beteta admitted that as abrupt and extensive as the price variations are, there is uncertainty in the international market. After pointing out that the approximate total of revenues from crude exports are $24 billion, of which PEMEX accounts for $16 million, he said that any obstacle, decline, or upset in the market seriously affects Mexico's balance of payments and thus affects public finances. He said PEMEX is remaining alert and studying any variation in the international market in order to remedy any change, wherever possible.

On other matters, Beteta said PEMEX is receiving payment for its crude oil exports to Central American countries; however, he admitted that those countries are having problems obtaining foreign currency.

[Words indistinct] Beteta denied that PEMEX is inefficient in its petroleum extraction. He said reports of this nature are the results of simplistic mathematics and are lacking in exact data. PEMEX, he added, has relatively low costs and is efficient in extraction. It earns large profits and contributes about 50 percent of the government's revenues. At the same time, it is reducing the government's debt, paying $3 billion annually.

In his address to the public enterprise seminar, Beteta said that in the difficult circumstances of the world economy, such enterprises must operate efficiently to satisfy social needs. Citing the case of PEMEX, he said it requires completely honest management, which should be unfaltering and constant in its sense of social responsibility. He said that this year, PEMEX will pay the Finance Secretariat 3.7 billion pesos, 2.7 billion of which is for hydrocarbon extraction rights and the remaining 1 billion is a retainer.

COSTA RICA

GOVERNMENT TO PROBE NICARAGUAN TRAINING RUMORS

PA071902 San Jose Radio Reloj in Spanish 0100 GMT 7 May 85

[Text] For many years it has been said that Costa Ricans have been training in Nicaragua and although we do not yet have objective proof, all indications are that this is true, Costa Rican President Luis Alberto Monge has said. The president said that no matter how much they train, there is no climate in Costa Rica for such a movement. He added that the Costa Ricans will not support guerrilla movements that seek to change our system. Monge Alvarez said that his government will investigate the assertions about groups of Costa Ricans receiving military training in Nicaragua and Cuba.

Monge also denied that some of his ministers have resigned. To date I have not received any letter of resignation from members of my cabinet, the president said in reply to a question from journalists. There have been rumors that Industry, Energy, and Mines Minister Calixto Chavez and Information and Communications Minister Armando Vargas have presented their resignations in order to become candidates for deputy for the National Liberation Party. The president denied that any minister had presented his resignation. However, he left open the possibility that they might do so before 1 June, when the PLN will hold its assembly.

PLN EXECUTIVE COMMITTEE ISSUES STATEMENT

PA120315 San Jose Radio Impacto in Spanish 1830 GMT 11 May 85

[Text] The National Liberation Party [PLN] National Executive Committee issued a statement yesterday asserting that the organization has now entered a period of civic struggle. The document, signed by National Executive Committee Chairman Mr Jose Figueres Ferrer, points out that this phase must be characterized by discipline, patriotic efforts, and self-sacrifice, abiding by the goals and actions outlined by the candidate, who is leader of the party. The document, which was also signed by Secretary General Rolando Araya Monge, states that any differences which might arise in the organization must be discussed and solved by the party's internal committees. Lastly, the National Executive Committee asserts that Oscar Arias will lead the party to an electoral victory during the next elections. We reiterate to him our full support and collaboration, as reasserted by all the party members, said the communique.

NICARAGUAN URBINA LARA HOLDS PRESS CONFERENCE

PA140516 San Jose Radio Impacto in Spanish 1830 GMT 13 May 85

[Text] Nicaraguan youth Jose Manuel Urbina Lara, who was the center of a delicate situation that arose between our country and our northern neighbor a few months ago, today talked about the events that took place on 24 December where he was forcibly taken out of the Costa Rican Embassy in Nicaragua where he had sought asylum in August 1984. Urbina Lara was released 2 months ago and sent to Colombia, where he had stayed while the Costa Rican authorities debated whether or not to grant him political refugee status.

In his introductory statement during a press conference held at San Jose's President Hotel, Urbina Lara thanked the Costa Rican Government, people, and news media, as well as all those persons who made his release possible. He said that he wanted to put a stop to the discredit campaign unleased by the Nicaraguan Government and by persons with no moral character, such as 1984 Nobel Peace Prize winner Adolfo Perez Esquivel.

Urbina Lara said that the perpetrators of this campaign had tried to deny his revolutionary character and his involvement in a political organization, as well as his 42-day detention in a Managua jail in 1983, on the orders of Nicaraguan state security. This campaign also denied that Urbina Lara had been harassed for 2 months early last year for his political views, as he had clearly stated. Moreover, Urbina Lara said that the campaign seeks to hide the essence of the problem and to tell the international community that this was an isolated incident, alleging that this youth was merely a defector from the Patriotic Military Service.

On another matter, the new political refugee called himself a Sandinist, by which he meant that he was a patriot, a nationalist and an anti-interventionist. Urbina Lara said: I will continue beside my people and I will not disappoint them, although I will always respect my status as a political refugee since I highly respect the Costa Rican Government and its proclamation of neutrality. He said that he favored settling the Nicaraguan problems through negotiations, but to achieve that goal the Contadora Group and all those interested in reaching peace in the region must join the forces that have continuously fought to liberate Nicaragua in their request for negotiations. On this matter, Urbina Lara made the following comment:

[Begin recording] So long as the [5-second break in transmission], so long as the Nicaraguan regime is not forced to grant liberties, so long as the Nicaraguan Government is allowed to commit all sorts of atrocities and crimes, so long as the views of the Ortegas and similar persons dominate the negotiations of the Contadora Group, I do not think that there will be peace in Nicaragua, and to state that there is no peace in Nicaragua means that there is no peace in the region. [end recording]

Urbina Lara added that the time for negotiations has come, but if Nicaragua persists in adopting a negative stance toward dialogue, then the time has come for all the forces striving to liberate Nicaragua to put a stop to those childish and opportunistic stances adopted by the rulers of that country.

The important information Urbina Lara provided included a mention of two Costa Rican youths held in Managua's jails. He said that they are Rafaelino and Francisco Madrigal, and that they were arrested at the Managua customs office. The Nicaraguan authorities tore up the safe-conduct passes that the two men carried, stating that they had been deported from Honduras and were returning to Costa Rica. These Costa Ricans were accused of being mercenaries and have been in jail for approximately 8 months. For that reason, Urbina Lara urged Costa Rican news media to wage a campaign for the Madrigals' release, like that waged in his own case.

Urbina Lara also reported the death of Ramon Ordonez Ramirez, a Nicaraguan anti-government youth, who was captured in early 1984 and was tortured to death for not identifying his comrades in arms. Urbina Lara added that the international human rights organization has already heard a complaint about the case, although Ordonez Ramirez's relatives were not informed about his fate. In memory to his comrade in arms, Urbina Lara said the following:

[Begin recording] Ramon Ordonez Ramirez' blood, as well as the blood of all our other comrades in arms, will goad us to achieve our liberation. Duty calls us, duty compels us, although we may die, although we may not survive. [end recording]

BRIEFS

POPULATION GROWTH RATE -- The General Directorate of Statistics and Census reported that Costa Rica's population grew 2.3 percent from March 1984 to March 1985. The labor force grew 3.9 percent, an increase of 44,378 individuals. [Summary] [San Jose LA PRENSA LIBRE in Spanish 3 May 85 pp 1, 2 PA]

EL SALVADOR

GOVERNMENT REJECTS PROPOSAL FOR 15 JUNE MEETING

PA162308 Paris AFP in Spanish 2249 GMT 16 May 85

[Text] San Salvador, 16 May (AFP) -- Salvadoran Vice President Rodolfo Castillo has said that the Salvadoran Government today rejected a guerrilla proposal to hold a third dialogue session on 15 June in Perquin, in northeastern Morazon Department. The official told the local press that the Napoleon Duarte regime has sent a new counter-proposal to the FMLN. Although he did not reveal the nature of that message, Castillo did say that it maintains the premise that the date of a third meeting must be established during private talks with the rebels prior to that meeting itself.

DEFENSE MINISTER DISCUSSES ROLE OF ARMED FORCES

PA081430 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 7 May 85

[Speech by Defense Minister General Eugenio Vides Casnova at the Military School in San Salvador on 7 May -- recorded]

[Excerpt] Exactly 2 years ago, on 7 May 1983, Salvadoran Soldier's Day, in this same place and in a situation of uncertainty about the country's future, I announced on behalf of the Armed Forces nine points to improve our institution and that our main objective, as part of a new relationship of support, understanding, and mutual assurance, was to place that institution at the service of the Salvadoran people. With these points we planned to participate in the country's destiny and to comply with our duty. Therefore, the Armed Forces place the democratization process, respect for human rights, and support for the citizens in organizing the country's institutional life through strictly political means ahead of its strictly military interests. Based on this we made every effort to strengthen our institution, to make of the Armed Forces a fundamental pillar of the nation.

Our faith, souls, and determination were dedicated to guiding the people toward a new democratic process. We used our skill and moral authority to address the people and leaders, trying at all times to strengthen the country's unity, strictly for the community's welfare.

When we talked to the political leaders we did so by setting an example of the importance of having a strong country and uniting against a common enemy.

I am proud to say that the Armed Forces is a monolithic institution that has eliminated internal antagonisms and has managed to build a spirit of discipline and unity and also a single objective: irreversibly guaranteeing us a victory in the military struggle we are waging. We urged the political parties to do the same, and in accepting our request they decided to participate in the electoral process to let the people decide their future. It has been the Salvadoran people, through the democratic process of voting, who chose the system they felt was most appropriate for the type of government they wanted.

As the political sectors proved their desire to form a unity to serve their country and placed the country's interests ahead of their personal and partisan interests, the people realized that the political parties were capable of understanding the nation's reality and decided to go to the polls, which demonstrated definite disapproval of international subversion. During the electoral process the Armed Forces once more assumed an upright position in its patriotic mission. It did so with the heroic feeling of victory by complying with all the objectives of the freedom plan drafted by the Armed Forces General Staff.

In our message to the honorable Legislative Assembly in the 31 May 1984 report, we reiterated to the deputies of the various political parties and the country our invitation to promote our new democracy, in a harmonious effort in which men were united, not divided. We also asked that we jointly pursue one single objective. We asked for God's protectionand to have individuals understand that existence cannot be worthwhile if man does not support his fellow man in seeking common welfare.

We also asked for God's protection in resisting the temptation to divide power to satisfy selfish interests. We noted that the interests of the nation and of 5 million Salvadorans are 5 million times more important than our personal interests. Only in this manner, united, can we continue, because the nation now needs all of its citizens to act as nobly as they can and in harmony for a better future for our country. There is nothing more assuring and healthy for a nation than freedom, but this is just a starting point. Social peace is the result of economic stability, of the possibility to make progress, in other words, the possibility of a future.

Every nation has the right to plan its future, to make plans for tomorrow. The Armed Forces is proud to know that the Salvadoran people have listened and understood its messages and also to have assumed its historical role in cooperating with the government and the people in the search for national unity.

We are confident that we will be able to awaken the people's conscience and unite the efforts of Salvadorans in defense of their country. Every Salvadoran will have to make the effort to contribute to our history with positive acts.

All the points in our 7 May 1983 message have gradually been put into effect for the benefit of our country and our institution. We have proven to the people that their Armed Forces is their legitimate representative in the military struggle, and we have done so proudly, as a neutral and independent entity in the midst of complex and divisionary circumstances that have been affecting our society.

As the institution responsible for guaranteeing the country's safety, today the Salvadoran Armed Forces is stronger than ever. We have assumed the initiative, and we will never lose it again. We have the equipment necessary to meet our basic and strategic needs in the material and human aspect. This is irrefutable. This has been possible thanks to the sacrifices and efforts we have made, with the people's and government's support and the understanding of friendly countries.

We are more sure than ever of our victory because of the high state of professionalism we have reached. Since our mission is not only the use of our forces to defend the country but to contribute to solving the country's problems, we are more confident about the next 3 years, because the government has shown new possibilities for organization and the will to find solutions and more efficiency.

The government's structural, moral, and economic strengthening is as important as the military strengthening of the country. If we want to reach our goal of peace and prosperity, now more than ever we should think about directing all our energies, determination, and faith toward one converging point, which will guarantee us economic reactivation and the creation of jobs and prosperity by the rational use of our scarce resources.

If we do not tackle the next 3 years in this manner, we will be defeating the people's hope, for which they recently went to the polls. Those who do not wish to understand that personal or group interests must be set aside on behalf of the nation's interests will be betraying their country and their people.

Our country has the necessary conditions to make a solid and stable democracy possible. Among these conditions we have a traditional call for freedom, mutual respect, and disapproval of violence, experienced political forces, and a dynamic social structure which is already showing the fundamental values that make coexistence possible.

By the same token, friendly countries should realize that by moving forward in the country's democratic organization and under the present circumstances we need sufficient economic support to obtain, within the strategic aspect of this struggle, the possibility of guaranteeing our productivity and capacity to create new jobs. If we were now denied the right to obtain this aid, considering that we have sacrificed our lives and spilled our blood in defense of Western democracy, the 5 years that our people and soldiers have worked so hard from dawn until dusk -- and also the peasants who work the land -- will have served no purpose, because no one abroad seems to understand what it means for an underdeveloped and poor country like ours to defeat international communism with just sheer will and faith.

COMALAPA MUNICIPAL MAYOR, OTHERS KIDNAPPED

PA162018 San Salvador Radio Cadena YSKL in Spanish 1500 GMT 15 May 85

[Text] We have received reports to the effect that several persons have been kidnapped in recent hours in Comalapa, Candelaria canton including Antonio Cartagena, Comalapa municipal mayor; Raul Pineda, member of the Christian Democratic Party; and Nicolas Silva, member of the Nationalist Republican Alliance.

In Quezaltepeque, Chalatenango Department, FMLN members driving a vehicle belonging to the (Rayovac) Company kidnapped Cristobal Ernesto Mejia.

In Santiago de Maria, Usulutan Department, earthquakes continue to occur. At 0200 this morning, a strong earthquake was felt, which alarmed the Santiago de Maria residents.

This has been the latest information FMLN actions in the county's interior.

ERP CLAIMS TO HOLD THREE CIA AGENTS PRISONER

PA161851 San Salvador DIARIO LATINO in Spanish 13 May 85 p 3

[Excerpts] Spokesmen of the People's Revolutionary Army (ERP) said that they also have three CIA agents who were commissioned to destroy Radio Venceremos and that the government is involved in efforts to get them released. The agents are one Colombian and two Hondurans. The ERP spokesmen told the church that its mediation is needed for the release of the mayors in exchange for guerrilla women Samour and Reyes who were captured by the National Guard.

RADIO FARABUNDO MARTI ON DUARTE'S U.S. TRIP

PA161937 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 15 May 85

[Station commentary: "Napoleon Duarte's Sixth Trip to the United States"]

[Text] In order to receive a tin medal promoted by the U.S. State Department, Duarte is going to the United States for the sixth time to give an account of his first year in government and to directly tell Mr Reagan that he wants to continue as the standard-bearer of Reagan's warmongering policy in the Central American region.

The people already know what Mr Duarte is going to seek in the White House. Duarte is not going to obtain money to increase the wages of the thousands of workers on strike or to grant loans to the peasants. Duarte is going after millions in military aid to maintain the war, the repression, the tortures, and the state of siege. Napoleon Duarte is going to the United States as the Judas who surrenders his people in exchange for a tin medal.

Cornered by the popular pressure demanding the continuation of the dialogue for peace, Duarte is running to Washington ratherthan replying to the people's just demands. Cornered by the growing mobilization of the workers, peasants, employees, and teachers, Duarte flies to Washington while his troops militarize the work centers and arrest union leaders.

The Napoleon Duarte government is not democratic. We cannot even say that it is advancing toward democracy. As time passes, the Duarte regime is being unmasked as the people's enemy. Duarte speaks of peace while he turns El Salvador into a sanctuary and arsenal for the mercenary groups of the Nicaraguan counterrevolution. Duarte is turning El Salvador into a pawn of the aggressive policy of a foreign power, precisely the United States.

That is why, as long as the Christian Democratic regime continues to seek the solution to the country's conflict in the United States rather than in El Salvador, all of the people will struggle for their right to work and for wages, as well as for our legitimate right to independence -- our right to decide our own destiny as Salvadorans.

RADIO VENCEREMOS ON DELIVERY OF U.S. AIRCRAFT

PA131552 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 12 May 85

[Text] Last Thursday the U.S. ambassador in El Salvador, Thomas Pickering, announced that his government is about to deliver seven additional C-47 bombers and four new Huey helicopters to President Duarte and General Bustillo. This new delivery of modern aircraft is another step forward inthe U.S. interventionist escalation in our country, within the framework of the Yankee counterinsurgency war where the Salvadoran Army provides the men and the corpses, while the United States takes care of the media, weapons, tactics, experts, and the supervision of the war.

The C-47 planes are equipped with a machine-gun system capable of firing up to 5,000 shots per minute. In a country as densely populated as ours, such weapons can only be described as antiguerrilla weapons, since the entire population in the conflict area is viewed as guerrillas. The enemy intends to kill 1,000 civilians in order to inflict casualties on the guerrilla forces, according to the counterinsurgency campaign aimed at eliminating the potential rebel population. These are precisely the fundamental lines of the strategy that the United States, through Duarte, Vides Casanova, Blandon, and Bustillo, intends to implement in El Salvador.

Thus far, only two planes with the described firing capacity have been used by the winged death squadron of General Bustillo; therefore, the nine additional C-47 planes means a dramatic escalation of the U.S. military intervention. It is not a mere coincidence that this should take place immediately after Duarte and the Christian Democracy assumed full control of the political apparatus. Disguises are no longer needed. A lot has already been said about peace and human rights and now Duarte shows his true warmongering face and his role as an unconditional puppet.

The bombers and helicopters are a gift that the Reagan administration owes the Salvadoran Army for playing its role so well in the Yankee plan to impose the Duarte project through the elections. One thing is already clear: Even before these new aircraft appear over our skies, they will never be able to change the course of our history because we are determined to defeat all intervention and imposition plans. Those plans will neither help the enemy win the war nor stop the people who are already advancing in a general struggle against the kind of war intended by the use of such C-47 planes, and against the aerial war that Duarte and Bustillo are waging against the peasant population.

In the United States, the delivery of the C-47 aircraft has already stirred serious internal problems, as it is contrary to the majority consensus in the U.S. Congress that conditions the military aid to El Salvador because it affects the human rights of the civilian population. More than serving Duarte and his generals, Bustillo and Blandon, in their strategic plan to sow terror among the population, the C-47 planes will serve to help the affected peasants renew their struggles against a regime which, like Duarte's, intends to deprive them of the most elemental things, such as their right to live and till their land. They will also serve to increase the internal political crisis in the United States created by the warmongering policy of the U.S. Administration.

GUATEMALA

LACK OF FOREIGN CURRENCY AFFECTS FUEL SUPPLY

PA161950 Guatemala City Cadena de Emisoras Unidas in Spanish 2350 GMT 15 May 85

[Text] The fuel supply problem is serious and worrisome. The government can only guarantee a 10-day supply. Guatemala has begun to experience serious fuel supply problems due to a lack of foreign currency to import petroleum. Energy and Mines Minister Alejandro Contreras Bonilla said this afternoon that normal supplies are guaranteed until Monday, 20 May, and that on Sunday, 19 May, a ship will arrive from Venezuela with petroleum to be refined in Escuintla. As a result, the country will have enough supplies until mid-June.

Nevertheless, Minister Contreras said that the ship did not leave for Venezuela until today, possibly because the government did not have enough foreign currency to guarantee the purchase. Minister Contreras also said today that a ship from Mexico is scheduled to arrive in Guatemala on Monday, 20 May, and that it will bring enough fuel for another 10 days.

The current gasoline reserves to supply the entire country will last only 3 days and the sale of gasoline may have to be rationed this weekend until the Escuintla refinery processes the crude and markets it throughout the country. One of the most affected regions at this time is the northern departments where the supply of gasoline has been periodically interrupted for the past week due to the shortage.

CACIF COMMENTS ON RISING PRICES, SOLUTIONS

PA071537 Guatemala City Radio Nuevo Mundo in Spanish 1100 GMT 6 May 85

[Statement by the Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations, CACIF; date and place not given]

[Excerpts] Let us speak clearly, this is our real problem: Product prices are continuously rising, and each day Guatemalans have to do without many things.

This is the real cause: The government spends more than it receives in revenues. To cover excess expenditures the government is printing money lacking real value. This creates internal inflation and raises the cost of the dollar and, in turn, all imports are more expensive.

Here is the real solution: The government must drastically reduce its budget. It must also implement the following measures: Spend only on what is strictly necessary, manage every penny with honesty, and sell or liquidate state enterprises in order to save the money they are currently costing the government.

Now that we know about the problems, origin, and the solution, let us act at once, because Guatemala can wait no longer.

Views on Reviving Economy

PA081711 Guatemala City Radio-Television Guatemala in Spanish 0300 GMT 7 May 85

[Text] Today, Monday, the deadline set by the Guatemalan Government to receive proposals and suggestions on how to face the country's economic situation expired. Here is a report by our correspondent Oscar Masaya from the Presidential Palace.

[Begin recording] Today marked the end of the 10-day period granted by the head of state to submit proposals on ways to solve the country's economic problems following the opening of a national dialogue, which took place at the presidential house. By 1700 only 16 individuals had submitted their proposals. As a first, the staff of this station's "Here's the World" newscast submitted proposals. A few minutes ago the Coordinating Committee of Farming, Commerical, Industrial, and Financial Associations [CACIF] also submitted a document containing proposals to cure the country's economic ills. [end recording]

Manuel de Jesus Giron Tanchez, secretary general of the head of state's office, said that the 16 proposals concurred in asking the government to reduce public expenditures. The official said that this reveals that Guatemalans are interested in finding a solution to the economic problems the current government is facing. Giron Tanchez added that the head of state will study all the proposals and immediately afterward summon the country's representative sectors to the second phase of the great national dialogue.

At approximately 1700 today the board of directors of CACIF went to the presidential hosue to deliver their suggestions, outlined in an extensive, 30-page document.

CACIF presented Head of State General Oscar Mejia Victores their suggestion on the means to overcome Guatemala's severe economic, financial, and monetary crisis. CACIF leaders met with Mejia Victores and Foreign Minister Fernando Andrade Diaz-Duran at the Presidential Palace from 1700 to 1730. During this time officials of the current administration and of the private sector exchanged views on the results of the national dialogue and its impact in solving the nation's problems.

CACIF President Alejandro Botran Gomez said that his group delivered to the chief of state a 25-page [as heard] document outlining the measures the government should implement immediately in order to avoid a short-term economic collapse. Botan Gomez said that CACIF's chief proposals are: a 10-percent cut in the general budget for government expenditures; auctioning state enterprises experiencing losses; and changes in the credit policy, since otherwise several productive sectors, cotton growers in particular, would go bankrupt.

CACIF's president added that the private sector still insists on urging the government to fire former Economy Minister Leonel Hernandez Cardona from his post as secretary general of national planning.

ARMY OFFICIAL TERMS RECENT INCIDENTS AS HARASSMENT

PA082311 Guatemala City EL GRAFICO in Spanish 7 May 85 p 5

[Text] Last night Colonel Rene Morales Paiz, chief of the Guatemalan Army Information and Press Department, said that the recent incidents reported in the towns of San Marcos, Berlin, Coatepeque, and Solola basically seek to keep alive the notion that the subversive movement is thriving. However, these actions are basically conducted for harassment purposes, he said.

HONDURAS

POLITICAL CRISIS MEDIATOR LEAVES FOR VATICAN

PA151920 Tegucigalpa Cadena Audio-Video in Spanish 1145 GMT 15 May 85

[Text] Msgr Oscar Andres Rodriguez, who was acting as a mediator in the political crisis, has gone to Vatican City on an eccelesiastical mission. Therefore, it could be said that the labor and political leaders will no longer have a mediator of his prestige if they insist on continuing their exhausting political sessions. Msgr Rodriguez, auxiliary bishop of Tegucigalpa, who was asked to act as mediator in the political conflict between the executive and legislative branches, was called to the Vatican to participate in the ceremony to consecrate the archbishop of Managua, Msgr Miguel Obando y Bravo, as a new cardinal of the Catholic Church, according to information received yesterday from the Tegucigalpa archbishopric.

Msgr Rodriguez had become a friendly arbitrator between the political sectors discussing the issue of internal or open elections. Recently, Msgr Rodriguez noted that although the meetings had not been quite successful, he hoped the dialogue would continue in the search for a solution to the crisis through the dialogue. However, the fact is that the intervention of the Catholic Church has not been of much success in these meetings between the conflicting parties.

HUMAN RIGHTS LEADER URGES EXPLUSION OF U.S. ENVOY

PA101709 San Pedro Sula TIEMPO in Spanish 8 May 85 p 4

[Text] Tegucigalpa -- Dr Ramon Custodio Lopez, president of the Honduran Human Rights Committee (CODEH), charged yesterday that six Green Berets protected by the U.S. Embassy organized the death squads that led to the disappearance of 147 people in the country.

Custodio also announced a plan to demand that the government expel Ambassador John Dimitri Negroponte because of his participation in organizing "the antiterrorist squads that established the national security doctrine."

Ramon Custodio held a press conference along with Zenaida Velasquez, president of the Committee of Relatives of Missing Detainees in Honduras (Cofadeh), to announce that the two committees are being subjected to a "campaign to discredit them." They said that the CODEH and the Cofadeh are the victims of "falsification which is the beginning of a new "campaign to discredit them" and they warned that they will take legal action against any news media that publishes as paid advertisements any documents that are not duly signed and sealed by them.

As an example of falsification, they mentioned a manifesto that was infiltrated into the 1 May march that condemned alleged violations of human rights in Nicaragua. They said that a second example is the paid advertisement that was "published on page 15 of the newspaper TIEMPO on Monday, 6 May." A document which was copied and given to journalists and that was read by Custodio Lopez states that in both cases, the CODEH and the Cofadeh "were made to appear as if we were critical of the alleged violations of human rights in Nicaragua. We do not have proof nor do we denounce such violations and even if we did, they would fall outside our scope since we limit our work to Honduras."

"It was in Honduras where the antiterrorist squads established the national security doctrine as a result of which we have 147 missing, hundreds tortured and assassinated, as well as political prisoners. In these antiterrorist groups, Somozist Nicaraguans like Colonel Ricardo Lau and others caused the disapperance of more than 18 Hondurans and many more Salvadorans."

"Today we know," he added, "that the formation and training of such antiterrorist squads or death squads was part of a joint operation between the Central Intelligence Agency (CIA) and the U.S. Defense Department, executed in Honduras through six Green Berets."

"Therefore, the U.S. Embassy cannot deny its responsibility in the disappearance of those 147 people," Custodio said. Custodio presented a copy of an article published by THE WASHINGTON POST, according to which the Green Berets were sent to Honduras as part of a worldwide anticommunism program implemented by the United States. According to those details, the Green Berets had as their headquarters the building of the special forces in La Venta, where they were visited by General Gustavo Alvarez and personnel of the U.S. Embassy. Byron K. Carlisle was one of the six North Americans in charge of the training.

He also released copies of a report on charges that Nicaraguan Ricardo Lau is one of the bastions in the organization of armed anti-Sandinist Groups, having held the position of chief of the general staff of the Nicaraguan Democratic Force (FDN).

Custodio made fun of Foreign Secretary Edgardo Paz Barnica, who on the basis of the paid advertisement, had said that the CODEH was recognizing the violation of human rights in Nicaragua. "Let the secretary receive this message: I have never given up my ideals. We do not serve foreign interests. History will judge him because he is a bad Honduran and a bad Central American," Custodio said. He explained that Paz Barnica is a bad Honduran because he is implementing a foreign policy that responds to U.S. rather than Honduran interests.

Dr Ramon Custodio also warned: "We plan to express our demand for the expulsion of Ambassador Negroponte because of his participation in these crimes." According to the CODEH president, they have not implemented the plan because they do not want it to be confused with the institutional crisis affecting the country.

Zenaida Velasquez said that the Armed Forces are not interested in clarifying the situation of the missing. As an example, she said that Major Alexander Hernandez [not further identified] has been appointed deputy director of the National Police Academy.

NICARAGUA

U.S. INVITED TO RESUME MANZANILLO TALKS

PA170030 Managua Radio Sandino Network in Spanish 0000 GMT 17 May 85

[Text] Panama City -- Deputy Foreign Minister Victor Hugo Tinoco today stated that Nicaragua has formally invited the U.S. Government to resume the bilateral talks in Manzanillo, and proposed the first half of June as a possible date. Tinoco asserted that the corresponding diplomatic channels have been established in this regard, but added that so far, there has been no reply from the government in Washington.

We have done this given that somewhat different attitudes have been observed in the Reagan administration, said Tinoco. He underscored, as outstanding evidence, the United States' abstention during the UN Security Council vote count regarding the resolution to renew talks in Manzanillo, Mexico. On 10 May, the UN Security Council approved a draft document condemning the economic embargo imposed on Nicaragua by the United States.

Lastly, Deputy Foreign Minister Tinoco referred to the statements recently issued by the White House's special envoy for Central America, Harry Shlaudeman, who said that his government is ready to resume direct talks with Nicaragua. This makes us assume that there might be a space for this renewal, and we -- moved by a constructive spirit -- are proposing a date to see if that political will is true, said Deputy Foreign Minister Victor Hugo Tinoco.

FOREIGN MINISTRY SENDS COMMUNIQUE TO U.S.

PA140442 Managua Domestic Service in Spanish 0356 GMT 14 May 85

[Foreign Ministry communique sent to the U.S. Embassy; dated 10 May]

[Text] The Foreign Ministry addresses the U.S. Embassy, referring to its government's Notes No 126 and 127, both dated 1 May 1985, in which the United States officially reported that it had decided to establish a complete trade embargo against Nicaragua, to suspend the services of Nicaraguan ships and planes to the United States, and to cancel the friendship, trade, and navigation treaty in force between the two countries.

The notes added that these measures will be maintained unless Nicaragua accepts a series of impositions that are offensive to our national dignity and violates international law, which would in fact convert Nicaragua into a vassal state or protectorate of the United States.

The U.S. Government, in its Note No 127, quotes the UN and OAS Charters in a vain attempt to justify these illegal measures of economic aggression.

It is nothing new for the U.S. Government to use the most condemnable measures of intervention or threaten the use of force with the intention of subjecting our country to the dictates and interests of said government. It is also nothing new that during crucial moments of their history the Nicaraguan people have responded with patriotism and the necessary determination to defend the sacred interests of the homeland: independence, sovereignty, and territorial integrity and their right to be free and decide, without foreign intervention, their own destiny and development.

The current U.S. Government, following this constant line of action, is bent on overthrowing the Nicaraguan Government and reestablishing its neocolonial domination, attempting to deprive the Nicaraguan people of the exercise of their most sacred rights. For this purpose it has organized, trained, financed, and armed a mercenary army directed by the CIA.

It has mined Nicaraguan ports and has instigated the perpetration of massive crimes, as was demonstrated with the so-called manual for psychological operations in guerrilla warfare. It has promoted and directed the destruction of schools, health centers, and basic grain warehouses. It has attacked and destroyed production centers, fuel dump sites, bridges, machinery, agricultural machinery, and construction equipment, as well as promoting kidnappings, torture, and the murder of thousands of Nicaraguan men, women, and children.

All these criminal actions that violate the basic principles of international law and morale have failed in the face of the firm and determined will of the Nicaraguan people to defend, at all costs, its right to independence, liberty, and self-determination.

As another demonstration of the U.S. Government's decision to impose solutions through force, the mentioned notes state that the U.S. Government has decided to add to the illegal war of aggression an illegal economic war with the sole objective of making Nicaragua yield through hunger and economic drowning. Nicaragua also believes that the U.S. Government is the least suitable government to invoke the UN and OAS charters since that government has always done its best to violate all the sacred principles that make up the bases of these two organizations. On several occasions Nicaragua has shown that the U.S. Government has violated the guidelines and principles of these charters. Furthermore, the Notes No 126 and 127 issued by the U.S. Embassy are tangible proof of the U.S. Government's disrespect for the purposes and principles of the UN, especially the principles of nonintervention, self-determination of the peoples, and the non-use of or threat to use force.

The notes state that if the Nicaraguan Government accepts the conditions included in these notes, the U.S. Government is willing to reexamine its decision regarding the measures announced today, depending on the specific steps adopted by the Nicaraguan Government to respond to these concerns. Regarding this, Nicaragua considers that it is necessary to remind the U.S. Government that:

1. Article II, Paragraph 7, of the UN Charter and Article 18 of the OAS Charter establish the obligation of nonintervention, direct or indirect, in matters that are essentailly domestic matters of the state.

2. Article II, Paragraph 4, of the UN Charter and Articles 20 and 21 of the OAS Charter state that the threat or use of force against the territorial integrity or political independence of a state may not be used.

3. The charter on economic duties and rights of the states approved by the UN General Assembly in 1974 and Article 19 of the OAS Charter state that no state will be able to apply or promote coercive measures of an economic or political nature, to force the sovereign will of another state.

4. Article II, Paragraph 3, and Chapter 6 of the UN Charter and Article 3, Paragraph C, and Chapter 5 of the OAS Charter state that international differences must be resolved through peaceful means, in a way that international peace and security are not endangered.

5. The Navigation, Trade, and Friendship between the U.S. and Nicaragua continue to be valid until at least a year after it has been renounced. Therefore, the measures adopted by the U.S. Government violate the spirit and letter of this treaty.

Nicaragua once again reiterates its call for the U.S. Government to rejoin the community of nations by renouncing its illegal policy of force against an independent nation, by honoring the freely accepted international commitments and obligations, and by accepting the use of measures for peaceful solutions as established in the UN Charter for incidents of differences between states.

A specific case that could demonstrate the U.S. Government's willingness to rejoin the international law would be for it to accept the jurisdiction and competence of the International Court of Justice and the Nicaraguan demand presented because of the military and paramilitary actions organized, promoted, and directed by the United States. The U.S. has until 31 May to present its side in its defense of the demand presented by Nicaragua. The U.S. Government can also demonstrate this willingness to respect the international law by resuming the bilateral talks with Nicaragua at the Mexican port of Manzanillo and by ending the effective blockade of the peacemaking efforts being promoted by the Contadora Group, which, on several occasions, have been on the verge of failing because of the U.S. Government's intransigent attitude. The most recent measures of aggression are another blow dealt against this negotiation process.

Nicaragua, while strongly and emphatically rejecting the measures of economic aggression ordered by the U.S. Government and the interventionist conditions established in notes No 126 and 127, ratifies its determination to continue struggling to achieve a peaceful solution to the crisis existing between the two countries and in the Central American region based on the strictest respect for the fundamental rights of international law. Nicaragua also reaffirms its determination to continue to defend the sovereignty, independence, and territorial integrity of the Nicaraguan nation as declared by the Nicaraguan Government in its official statement read on 4 May by the Acting Nicaraguan President, Sergio Ramirez Mercado, and which is enclosed with this note.

The Nicaraguan Foreign Ministry bids the U.S. Embassy farewell.

Managua, 10 May

DEPUTY FOREIGN MINISTER ANSWERS HONDURAN NOTE

PA132044 Managua Radio Sandino in Spanish 1945 GMT 13 May 85

[Note from Deputy Foreign Minister Victor Hugo Tinoco to Honduran Foreign Secretary Edgardo Paz Barnica dated 10 May, Managua]

[Text] Mr Minister: I address Your Excellency to respond to your Note No 149 DSM [not further explained] of 10 May reporting that at 1100 on 10 May four Hondurans were wounded and one killed as a result of an attack with heavy weapons conducted by the Nicaraguan Army at El Arenales.

The Nicaraguan Foreign Ministry has remitted the report cited in your note to proper authorities. After pertinent investigations our authorities have concluded that it is absolutely untrue that the Sandinist Army attacked Honduran territory. Allow me to remind Your Excellency that the Nicaraguan Government, firm in its desire for peace and its abidance of international laws, maintains the strictest respect for the sovereignty and territorial integrity of other states. It maintains this position even though other countries allow their territories to be used to penetrate neighboring territories with the aim of attacking, provoking, destabilizing, and overthrowing the governments of these neighboring countries.

At this time, the Nicaraguan Government cannot say if the Honduran soldiers to whom you refer in your note were wounded or killed in clashes that took place in Nicaraguan territory near the border and later taken to Honduras, as it is a confirmed fact that the mercenary forces sometimes act in cordination with members of the Honduran Armed Forces. Our government does not know if they do this in their capacity as private citizens.

The Nicaraguan Government has repeatedly maintained that incidents of this nature are a direct result of the presence, and the increased presence over the past several weeks, of mercenary forces in areas close to the Honduran border. In this regard, the Nicaraguan Government, appealing once more to your desire to seek peaceful, civilized ways to resolve controversies between states, proposes to the Honduran Government that the Armed Forces of the two countries establish a joint plan to overcome this situation through the removal, disarmament, and separation of these irregular forces from the border areas. The Nicaraguan Government also proposes that after the control and disarmament of these forces is attained a plan to relocate them be developed with the cooperation of the International Red Cross and the UN Office of the High Commissioner for Refugees. Nicaragua reiterates its willingness to receive all those who decide to seek shelter under the amnesty decreed by our government.

The Nicaraguan Government urges the Honduran Government to accept this proposal which will undoubtedly contribute to the attainment of the peace that the Central Americans are rightly demanding.

I take this opportunity to reiterate to Your Excellency the token of my respect and consideration.

[Signed] Victor Hugo Tinoco, deputy foreign minister

TINOCO FURTHER DISCUSSES PROPOSAL TO HONDURAS

PA140307 Managua BARRICADA in Spanish 13 May p 5

[Text] Managua (ANN) -- Deputy Foreign Minister Victor Hugo Tinoco said that Nicaragua recently presented a plan to the Honduran Government that would help ease tension created by border problems between the two countries resulting from the military presence of counterrevolutionaries in those areas. In statements made to the international media accredited in our country, the deputy minister said that the plan would lead to the neutralization of those forces that "are affecting the two countries and the residents of the border areas."

The plan proposes the search for joint measures to pacify and disarm counterrevolutionary forces with the aid of the International Red Cross, the UN High Commissioner for Refugees, and other international organizations. Counterrevolutionaries could either return to Nicaragua and take advantage of the Amnesty Law decreed on 10 January or stay in Honduran territory, should that country allow them to do so.

The deputy foreign minister refused to give more details on the proposal, because it is under examination by Honduran authorities. He gave assurances that "diplomatic channels" between the two countries have already been established. Tinoco said: "Nicaragua is trying to contribute to finding solutions to potential conflicts at the border and prevent an escalation of war." He pointed out that as a consequence of operations carried out by the Sandinist People's Army, thousands of counterrevolutionaries have been forced to flee toward the border area and in turn have contributed to an increase in tension because the presence of "contras" in the area increases the risk of accidental confrontations.

GOVERNMENT COMMUNIQUE PRAISES HONDURAN DECISION

PA170330 Managua Radio Sandino in Spanish 0238 GMT 17 May 85

[Communique issued by the Ministry of the Presidency in Managua on 16 May]

[Text] In view of the communique issued by the Honduran National Security Council on 13 May 1985 announcing the Honduran Government's willingness not to allow the existence of armed groups in Honduras and the statements made by Ubodoro Arriaga, Honduran secretary of the presidency, to the effect that armed groups in Honduras would be disarmed and expelled from the country, the Nicaraguan Ministry of the Presidency informs the people of Nicaragua and the international community that:

1. The Nicaraguan Government is pleased with the announcement made by the Honduran Government through the secretary of the presidency, considering this announcement an important step toward the elimination of conflicts between the two countries and for the reestablishment of regional peace. The Nicaraguan Government hopes that this announcement will be implemented as soon as possible (?and that it will benefit) bilateral relations and the negotiating process promoted by the Contadora Group.

2. The Nicaraguan Government reiterates its willingness to offer all necessary help and support to achieve a prompt and effective reestablishment of peace and tranquillity at the common border. In this sense, the Nicaraguan Government reiterates the initiative presented to the Honduran Government, dated 11 May 1985, in which Nicaragua proposes the drafting of a play by the Armed Forces of the two countries in an attempt to decrease, disarm, and remove those irregular forces from the border area.

3. The Nicaraguan Government reiterates its willingness to receive in its territory all members of the irregular forces who will put down their weapons and accept the amnesty law currently in force. The government also offers to help these people join productive life in the country.

4. The Nicaraguan Government reiterates the proposal made yesterday by Victor Hugo Tinoco, Nicaraguan deputy foreign minister, during the meeting of the Contadora Group when he formally asked that group to appoint a special commission to examine the situation in the area. This commission would make inspections in situ at the border points, especially the areas between Trojes and Las Vegas, Honduras.

CSSR GRANTS LOANS 'AS PROOF OF SOLIDARITY'

PA142353 Managua Radio Sandino Network in Spanish 1200 GMT 14 May 85

[Text] One important aspect of an agreement reached by President Daniel Ortega during his visit to the CSSR was a 5-year grace period on the payment of loans that the CSSR has granted Nicaragua. This was announced by Gustav Stopk the CSSR ambassador to Nicaragua, who added that his government approved a $11.5-million loan and also an additional $30 million, for when the first loan is used up, as proof of the CSSR solidarity with the Nicaraguan people and revolution.

[Begin recording] [Stopk] The CSSR will give Nicaragua a $11.5 million loan. We hope that Nicaragua will make full use of it. When Nicaragua uses up these funds, then we can begin to talk about an additional $30 million to continue helping Nicaragua. The CSSR has granted Nicaragua a 5-year grace period on this loan. Therfore, the first payment should be in the 1991. With this the CSSR wants to prove its willingness to support the Nicaraguan revolution.

[Reporter] Who is granting these loans?

[Stopk] Our government. These loans should be used for investments. For instance, we are willing to help Nicaragua build the textile complex in Esteli.

[Reporter] Do you know the exact amount of the loan?

[Stopk] I do not have the exact amount, but the Nicaraguan delegation which negotiated the conditions can provide the figures. [end recording]

CONTRAS ATTEMPT TO OCCUPY BLUEFIELDS

Defense Ministry Bulletin

PA170342 Managua Domestic Service in Spanish 0305 GMT 17 May 85

[Bulletin issued by the Defense Ministry's Public and Foreign Relations Directorate in Managua on 16 May]

[Text] A group of counterrevolutionaries attempted to occupy Bluefields, Zelaya Department, today at 0500 but were intercepted by the Sandinist People's Army [EPS] on the outskirts of the town. During the skirmish the counterrevolutionaries suffered 24 dead and much war materiel was recovered.

Continuing the persecution that the EPS began on 9 May in the area of Cano Poncaya, 14 km from San Pedro Norte, Zelaya Department, today, the Somozist mercenaries suffered 27 casualties in Cano Piaco, 34 km northeast of San Pedro Norte.

On 15 May a group of mercenaries attacked the Laguna de Perlas community, 35 km northeast of Bluefields. The attack was repelled by the EPS and the Somozist enemy suffered 20 casualties.

AFP Report

HK170056 Hong Kong AFP in English 0031 GMT 17 May 85

[Text] Managua, May 16 (AFP) -- For the first time, anti-Sandinist guerrillas attempted to occupy Bluefields Thursday, the biggest city on Nicaragua's Atlantic coast, the Defense Ministry announced here.

It stated that an attack with automatic weapons started at 5:00 a.m. and that the attackers were forced to withdraw an hour later after the Sandinist People's Army killed 22 of the "contras" (counter-revolutionaries).

But inhabitants reached by telephone told an AGENCE FRANCE-PRESSE correspondent that shooting lasted until early afternoon, especially south of Bluefields. That port has a population of 30,000. It is 360 kms (220 miles) east of this capital.

It was not known here if the attackers were Nicaraguans or Miskito Indians of the Misurasata organisation, which has been engaged in inconclusive peace negotiations with the government since late last year.

In the last two weeks, the contras have focused their attacks in the east and in the central Province of Boaco, only 120 kms (80 miles) southeast of here.

FIDEL, RAUL CASTRO RECEIVE SOVIET MEDAL

FL151136 Havana Domestic Service in Spanish 1000 GMT 15 May 85

[Text] Commander in Chief Fidel Castro has received in Havana the commemorative medal of the 40 years of the victory of the Great Patriotic War awarded by the Presidium of the Supreme Soviet. Mikhail Solomentsev, CPSU Politburo member, also presented the high honor to Army General Raul Castro, party second secretary. The medal was also bestowed on Politburo and alternate Politburo members, Central Committee Secretariat members, party and state leaders, and military chiefs.

Solomentsev said the Supreme Soviet Presidium had assigned him the responsibility of presenting the high honor on the occasion of the 40th anniversary of the victory over fascism.

Jose Ramon Machado Ventura expressed the appreciation of the decorated officials. He said the high honor symbolizes the immortal feat of the Soviet country and its glorious Armed Forces.

SOLOMENTSEV VISITS BIOLOGICAL RESEARCH CENTER

FL141914 Havana Domestic Service in Spanish 1813 GMT 14 May 85

[Text] The delegation headed by Mikhail Solomentsev, member of the CPSU Politburo, today visited the Biological Research Center in this capital. Luis Herrera, deputy director of the center, welcomed the visitors and then gave them an explanation of the characteristics of the installation, which is dedicated to the production of interferon.

Inaugurates Printing Plant

FL160128 Havana Domestic Service in Spanish 2300 GMT 15 May 85

[Text] A new printing plant was inaugurated today on the Isle of Youth in the presence of Mikhail Solomentsev, member of the Politburo of the CPSU Central Committee. Also present at the inauguration of the Isle of Youth printing plant were Jesus Montane Oropesa, alternate member of the Politburo of the Communist Party of Cuba Central Committee; Armando Manresa, first secretary of the party in the special municipality; and survivors of the attack on the Moncada Barracks.

Mikhail Solomentsev started the printing plant operations on the Isle of Youth and received a complete explanation on the industry, which represents an old dream come true for the inhabitants of the Isle of Youth. This printing plant, the third of its kind built in Cuba, will begin its printing activities with 70 percent of its general capacity, with a capacity of 77 million sheets annually. When functioning at full capacity, it will publish 95 million. The modern publishing plant of the Isle of Youth, built with Soviet technology, will publish all kinds of publications, and its inauguration makes it possible to publish 9,206 copies of the VICTORIA newspaper daily.

SOVIET BANK GRANTS 10-MILLION RUBLE CREDIT

FL151337 Havana Domestic Television Service in Spanish 1133 GMT 15 May 85

[Text] The (?International Bank of Investments) granted Cuba a 10-million ruble transferable credit for the financing of the construction of the Camaguey sugar mill No 3 by their ministries of equipment and machinery. The document signed in that capital by Vice Presidents (Todor Dmitriyev), of the (International Bank), and Raul Amado Blanco of the Cuban National Bank, reveals the purchase by those subsecretaries of Cuba's own products which constitutes a new aspect in these banking operations.

DOMINICA

GENERAL ELECTIONS TO BE HELD BEFORE OCTOBER

FL151356 Bridgetown CANA in English 1338 GMT 15 May 85

[Text] Roseau, Dominica, May 15, CANA -- Dominica's 1985 general elections will be held before the October deadline, Prime Minister Eugenia Charles has disclosed here. She commented to local and foreign journalists at the Melville Hall Airport yesterday, after holding discussions with visiting Puerto Rican Governor Rafael Hernandez Colon. Asked by an American reporter when she anticipated the poll would be held, the Caribbean's lone woman prime minister replied: Sometime before October. She did not elaborate.

Miss Charles has repeatedly said here that her administration intended to complete its full five-year term in office, prompting speculation that an election would not come before October this year, when it is constitutionally due. Campaigning is already under way here for the poll which will be a straight fight between Miss Charles, Centrist Dominica Freedom Party (DFP) and the opposition Labour Party of Dominica (LPD). The DFP is expected to present its slate of candidates for the 21 seats on June 2. The opposition LPD has already announced its candidates, including members of the left-wing Dominica Liberation Movement.

JAMAICA

TOURISM MINISTER CONDEMNS DEMONSTRATIONS

FL171200 Bonaire Trans World Radio in English 1130 GMT 17 May 85

[Text] Jamaica's tourism minister has condemned anti-government demonstrations saying they were meant to disrupt Jamaica's vital tourist trade. Tourism Minister Hugh Hart said the demonstrators showed a ruthless determination to destroy the tourism industry and the economy of Jamaica. On Wednesday, supporters of the opposition People's National Party mobbed the lobby of an up-town hotel in the tourist area of new Kingston after police threw tear gas bombs at some 300 anti-government demonstrators.

PNP Vows More Demonstrations

FL171214 Bonaire Trans World Radio in English 1130 GMT 17 May 85

[Text] More demonstrations took place in Jamaica yesterday but they were without incident. The People's National Party [PNP], which has called for the demonstrations, says there will be demonstrations every day until the government of Prime Minister Edward Seaga calls local government elections. PNP President Michael Manley, who is currently recovering from surgery, said in a recorded statement that he approves of the demonstrations which are also protesting the impact of price increases on the cost of living.

SOME POWER EMPLOYEES RETURN TO WORK

FL171235 Kingston Domestic Service in English 0500 GMT 17 May 85

[Text] The Union of Technical, Administrative, and Supervisory Employees (UTASP) workers reported for the 2 pm shift at the Old Harbor power station yesterday and as a result, the number four unit should be back in system soon. But the hourly paid and clerical Jamaica Power System (JPS) workers are still on strike as their dispute over meals has not been settled. A meeting yesterday ended without resolution and the Industrial Dispute Tribunal has requested that the parties attend the meeting at 10:30 am tomorrow.

KEROSENE RETAILERS TO RESUME WORK 17 MAY

FL171246 Kingston Domestic Service in English 0500 GMT 17 May 85

[Text] Kerosene retailers who yesterday blocked the loading ramp at Petrojam on Marcus Garvey Drive have agreed to resume work today on the understanding that they will receive a 23 cents mark-up on their profit margin.

The work resumption by the kerosene retailers clears the way for the gasoline-tanker drivers to start their loading and to avert the strike of another gasoline shortage for 2-weeks running.

Gasoline-tanker drivers did not load yesterday in support of the kerosene men who issued a warning that they would refuse loading today if they did not receive their money.

ST CHRISTOPHER-NEVIS

OPPOSITION SKLP REELECTS LEE MOORE AS LEADER

FL132330 Bridgetown CANA in English 2059 GMT 13 May 85

[Text] Basseterre, St Kitts, May 13, CANA -- The opposition St Kitts and Nevis Labour Party (SKLP) returned former Premier Lee Moore unopposed as its political leader, but infused some new faces in its hierarchy in its first convention since a disastrous general defeat showing last June.

Attorney-at-law Dr Henry Brown, a nominated member of the National Assembly, was elected Moore's deputy, becoming the first new face in the upper echelons of the party for some time.

Brown replaces E. St John Payne, who lost his seat in the general elections last year, and who withdrew from the race at the convention yesterday, proclaiming the party needs to put new faces in front.

New chairman of the SKLP is Charles Mills, who is parliamentary leader of the opposition and one of only two labour candidates who won at the polls last year. The other, Joseph N. France, was returned unopposed as party secretary.

The conference approved a series of resolutions, including one recognising the Caribbean as a zone of peace and condemning what it called the continued arms buildup in St Kitts.

The resolution also criticised what it saw as the presence of foreign military forces in St Kitts -- presumably a reference to United States forces training paramilitary police here.

IMF DECLARES NATION INELIGIBLE FOR SUPPORT

FL162028 Bridgetown CANA in English 2002 GMT 16 May 85

[Text] Georgetown, Guyana, May 16, CANA -- The Executive Board of the International Monetary Fund (IMF) last night formally declared Guyana ineligible to use the general resources of the fund because of outstanding debts, government sources said today. The decision was taken without the recording of a formal vote, the sources said.

Guyana owes the IMF U.S. $19 million, and this had proved a major stumbling block to the financially-strapped country's receiving further balance of payments support from the institution.

A senior government official who declined to be named said that the IMF action reflected the bias within the IMF in the voting power in favour of industrialised countries.

The grouping representing Latin America, China, the African countries, India, and the Arab states excluding Saudi Arabia supported Guyana's Executive Director Alexandre Kafka, a Brazilian, who spoke strongly against the proposed action in the light of Guyana's efforts to meet its obligations, the official said. But they were overruled by the voting power of the countries of the Organisation of Economic Co-operation and Development (OECD).

The official said: The decision was not unexpected here in Georgetown, where it is realised that the only reason why Guyana was declared ineligible is the fact that it is not prepared to sign an agreement with IMF under terms the Fund has most recently proposed. Leading government spokesmen have described the IMF proposals as designed to kill the Guyanese people and a prescription for riot. The state-owned Guyana CHRONICLE noted today in an editorial that currently several other countries are in arrears in their payments to the IMF for larger amounts than that owed by Guyana. However, the twin circumstances of being in arrears and Guyana's presistent resistance to accepting the inappropriate provisions of the most recent Fund proposals have singled out Guyana for special treatment.

The official said the Guyana Government's position was that the decision does not inhibit the country's continuing dialogue with the Fund nor did it lessen Georgetown's resolve to settle its indebtedness with all its creditors.

Failure of Guyana to reach an accord with the IMF has seriously restricted its access to badly needed international finance, for which the IMF's seal of approval is vital.

Finance Minister Carl Greenidge first gave notice of IMF intentions in his budget presentation last January. He said the ineligibility decision would be on the basis that Guyana's efforts at (debt) payment are inadequate. Greenidge said that since May 1983, Guyana had fallen in arrears on repayment to the IMF of a previous loan, but that strenuous efforts were made to correct the situation.

Greenidge Decries Decision

FL170100 Bridgetown CANA in English 2331 GMT 16 May 85

[Text] Bridgetown, Barbados, May 16, CANA -- Financially beleaguered Guyana has urged the Caribbean Development Bank (CDB) to work more closely with governments in the area to design and sell appropriate policy measures for regional economic survival. The call came from the Guyanese finance minister, Carl Greenidge, as he addressed the annual CDB Board of Governors meeting, which ended here today.

Greenidge said that while the CDB's contribution to reviving troubled regional economies will remain relatively small in financial terms when compared, for example, with that of the World Bank, its contribution as a centre of analysis, of experience and emphathetic treatment of the region's problems cannot be over-estimated.

Greenidge added: The bank needs to give careful consideration to how best it might work in tandem with member governments as part of the process of designing and helping to sell appropriate policy measures. Such a contribution would have to go beyond the comprehensive and, of course, useful tour de force provided to us by the president from time to time. We in Guyana, for our part, would like to see the bank's staff take up the challenge in a manner that would enable a far higher quality of analysis of a member country's problem than is reflected, for example, in the papers on Guyana's debt situation.

Only last night the International Monetary Fund (IMF) declared Guyana -- one of 17 borrowing members of the CDB -- ineligible to use the Fund's general resources, because of outstanding debts. The Guyana Government, which for some time now has been seeking a 150 million dollar (U.S.) balance of payments support loan from the IMF, is already in arrears with the Fund to the tune of 19 million dollars (U.S.) from a previous agreement.

Greenidge told the meeting that Guyana had serious external debt problems in relation to the limited amount of foreign exchange the country was warning. On the IMF decision, he said, even if Guyana had devoted all of our available hard-currency resources earned so far in 1985 to the payment of the Fund, we would still not have been in a position to become current on our payment of arrears.

Guyana has also accumulated 7.5 million dollars in arrears with the CDB, and Greenidge said: It would be difficult to justify using one half of Guyana's total available foreign currency earnings to pay this debt, particularly since such action would jeopardise our ability to make future payments.

Before the CDB meeting was a proposal that Guyana be barred from access to the bank's resources for one year or until the country can significantly reduce its indebtedness. Greenidge made clear his disagreement with the proposal. This clearly cannot contribute to remedying Guyana's problems, the minister declared.

We agree that strict enforcement of the rules has a place, and we clearly reiterated our commitment to honor this obligation. However, the extenuating circumstances that have given rise to the current situation ought to be taken into account in applying the rules.

The latest CDB report put Guyana's net foreign assets at the end of September 1984 at minus 450.5 million dollars (U.S.), a deterioration from the minus 318.9 million for the preceding year.

Greenidge told the meeting, however, that government had been tackling its economic crisis on several fronts. Government spending had been cut back through internal debt rescheduling and a reduction in public sector employment. With the aid of three or four multilateral agencies, he said, Guyana was also moving to refinance the rehabilitation of the key foreign exchange earning bauxite sector.

Programmes for the expansion of the rice industry are also in train, Greenidge said, and arrangements for improving the management of public and private sector enterprises are also in the process of being implemented. Guyana recorded two per cent growth last year, thanks mainly to a rise in production of bauxite, rice and sugar, the three pillars of the economy, following a slump.

CHRONICLE Scores IMF

FL140044 Bridgetown CANA in English 1910 GMT 13 May 85

[Text] Georgetown, Guyana, May 13, CANA -- The government-run CHRONICLE newspaper in Guyana says there seems to be a curious connection between the International Monetary Fund (IMF) and turmoil. The government has been negotiating so far unsuccessfully for additional balance of payments support from the IMF but has frequently criticised its lending policies.

The CHRONICLE linked food riots and demonstrations in Brazil, strikes in Bolivia and Peru, the death of more than 50 people in the Dominican Republic, the laying off of thousands of people in Jamaica, and the fall of President Ja'far Numayri of Sudan to harsh economic measures imposed on countries by the fund.

It is felt, many say proven, that the IMF's monetary and free market prescriptions generally bring total ruin to industries, cause massive unemployment, worsen hunger and deprivation, and bring about political instability, the paper's editorial said. It added that the IMF's medicine for ailing economies never seems to change, and the promised progress never seems to materialise. Instead, the pressure of rising prices on essential items, unemployment, and the anger of a multitude of hungry people invariably lead to riots and loss of life, the CHRONICLE added.

The paper said the alternative to the IMF in Guyana was to produce to the optimum. We must intensify our efforts at improving production and productivity, which will reflect our economic responsibility, it added.

Jagan Urges Rejection of IMF Conditions

FL132338 Bridgetown CANA in English 2102 GMT 13 May 85

[Text] Georgetown, Guyana, May 13, CANA -- Opposition People's Progressive Party (PPP) leader, Dr. Cheddi Jagan, has urged the Guyana Government to reject International Monetary Fund (IMF) conditions for fiscal and economic support to Guyana. Dr Jagan accused the government of pandering to the IMF and of ignoring long-standing calls from his party to turn its back on the Washington-based fund.

He said the IMF tries to resolve economic crises at the expense of the working class and attempts to put countries on a procapitalist-imperialist path. Dr Jagan said IMF prescriptions often lead to trouble which, in turn, leads to creeping dictatorship. In any case, Dr Jagan added, the government is incapable of beneficially using any IMF credits it may obtain. He accused the government of making concessions to the Fund, and cited as examples the devaluation of the Guyana dollar twice last year, and the removal of nearly all subsidies on a wide range of products, including rice, sugar and fuel.

INTERFERENCE IN DOMINICA'S AFFAIRS DENIED

FL161407 Bonaire Trans World Radio in English 1130 GMT 16 May 85

[Text] Guyana has denied charges that it is interfering in the internal affairs of Dominica. The state-owned CHRONICLE newspaper carried an editorial which quoted a Dominician official who said that Guyana, along with Libya, North Korea, and Cuba, had offered financial assistance to the main opposition party in Dominica. The editorial said that Guyana is intent on finding solutions to its own problems and has no time or inclination to meddle in the affairs of others. The state-owned newspaper called the accusation against the country ridiculous.

GTS TO RECEIVE GIFT OF 15 BUSES FROM CUBA

FL132358 Bridgetown CANA in English 2010 GMT 13 May 85

[Text] Georgetown, Guyana, May 13, CANA -- The state-run Guyana Transport Service (GTS) has only 65 buses on the road, well short of the 350 that were in operation five years ago, a spokesman for the GTS said. This has meant vastly reduced services, particularly in Georgetown and its environs. The spokesman said the problems lay in accidents, lack of spares, and careless handling.

The GTS fleet received a boost this month when 15 buses, complete with spare parts, arrived from Cuba. The buses, a gift from the Havana government, will be used exclusively for school children.

ANGLICAN BISHOP DENOUNCES PLOT ALLEGATIONS

FL131839 Bridgetown CANA in English 1801 GMT 13 May 85

[Text] Georgetown, Guyana, May 13, CANA -- The Anglican Bishop of Guyana Randolph George has denounced as libellous and damaging allegations in the state media here that his recent visit to the United States was linked to a plot to destabilise the Guyana Government. George wrote in a pastoral letter read out in Anglican churches here that the visit was a straightforward speaking engagement.

A commentary on state radio and the state-owned newspaper alleged that some churches in Guyana were receiving external assistance to bring down the government. The commentary on March 19 said a church leader was in the United States to receive further instructions, but did not refer specifically to George by name.

The insinuations and allegations about my visit to the United States which appeared in the CHRONICLE newspaper and were heard on the radio were libellous and damaging and unworthy of any source of public information, the Anglican bishop wrote.

His response was the latest salvo in a running verbal battle between major churches here and the government, sparked off by a Guyana Council of Churches document which criticised government policies.

PPP CONGRESS TO ASSESS CHANGES, LINE OF ACTION

FL131610 Bridgetown CANA in English 1748 GMT 11 May 85

[Text] Georgetown, Guyana, May 11, CANA -- Guyana's main opposition group, the Marxist-Leninist People's Progressive Party (PPP), will hold its 22nd congress from August 3-5, a party statement said.

The main tasks of the congress are to objectively assess the qualitative and quantitative changes within the party, the country, and internationally which took place since the last congress, the statement said. Of great significance, not only to the party but the country as a whole, would be the wide-ranging discussions and final adoption by the congress of the main line of action that would be the basis of the party's work over the next three years.

The pro-Moscow PPP, led by veteran Dr Cheddi Jagan, observed that with the worsening of the economic crisis over the past three years and achievement to some degree of its dream of working class and racial unity, it once again occupied the centre stage of Guyanese politics. The upcoming congress, in this context, is an important event, not only for the party but for the country as a whole, the statement said.